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Continued on 3rd cover.

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
FOOTWEAR FACTORIES IN INDIA
(1965-66)



LABOUR BUREAU
MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION
(DEPARTMENT OF LABOUR AND EMPLOYMENT)
GOVERNMENT OF INDIA

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PREFACE

Ever since India entered the industrial field over a century ago, the industrial labour in the country and its problems have been the subject of interest. From earlier emphasis on prevention of exploitation of labour, the interest has now shifted to providing them a fair deal and fuller opportunities. Surveys that bring out true conditions of labour provide a sound base to the present day approach to problems of labour in India, in the context of planned economic development of the country.

A detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the well-being of the working class came to be recognised as an essential factor in the long-term strategy for industrial advance and in the overall economic stability and progress of the country. The adoption of this policy has brought about a new awakening in the ranks of labour and has afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to make an appraisal of their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan. Its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This Report presents data regarding the Footwear Industry covered under the Scheme during 1965-66.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, and provides first-hand information on certain important aspects of labour management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a Survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the industrial managements canvassed

and the Bureau is deeply indebted to them for their wholehearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the Schedule and Instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Survey Division, Ministry of Labour and Social Service, U. K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting the present round (fourth and final) of the Survey was ably borne by Dr. J. N. Mongia, Deputy Director, who gave full weight of his experience to this assignment. On various statistical problems arising out of the Survey, the requisite technical advice was provided to him by other officers of the Bureau.

The preliminary draft of the Report was prepared by Shri Onkar Nath Misra, Investigator Grade I, and was finalised by Dr. J. N. Mongia, Deputy Director, with the assistance of Shri H. B. L. Bhatnagar, Assistant Director, who was also responsible for supervising the manual tabulation of data. Part of the data relating to Survey of Labour Conditions in industries covered during the fourth round (1965-66) was for the first time tabulated by the Machine Tabulation Unit of the Labour Bureau, under the supervision of Shri Subir Kumar Gupta, Assistant Director. Sarvashri Man Mohan Singh and R. C. Madan, Computers, assisted in computation of data. The field investigations were carried out by Sarvashri Harjinder Singh, Khajan Singh, M. P. Kanaujia, G. S. Kochhar, Harish Prakash, R. N. Tewari, George Jacob and V. K. Lohumi, under the supervision of Sarvashri Mahesh Chandra, R. N. Mondal and P. T. Deshpande. To all these I am deeply thankful.

The views expressed in this Report are not necessarily those of the Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment), Government of India.

K. K. BHATIA

Director

LABOUR BUREAU, SIMLA

Dated the 13th March, 1968

CHAPTER .

INTRODUCTION

The Footwear Industry plays an important role in the economy of the country by providing fruitful employment to over 25 thousand workers; by giving direct and indirect support to several allied and ancillary industries and by earning valuable foreign exchange through export of its products. The Indian leather and rubber footwear have a world wide market. They are exported to such countries as the United Arab Republic, Sudan, North, East and West Africa, Cyprus, Jordan, Saudi Arabia in the Middle and Near East; Malaya, Thailand, Viet Nam, Ceylon in the Far East; the U.S.S.R., the United Kingdom, France, West Germany and several other countries of Europe; the West Indies and other islands in the Pacific; and even to Canada and the U.S.A.

1.1. Growth and Location of the Industry

Shoe-making in India is a traditional craft confined to individuals and small groups in the towns and villages for a pretty long time. Even today, the Footwear Industry in India is largely confined to the cottage industry sector and its growth in the factory sector is of comparatively recent origin.

Although, the first foot-wear factory was established in 1881 in Kanpur by M/S. Cooper Allen for the production of military boots, no concerted attempt was made to build up a shoe-making industry in the country on organised lines and most of the requirements were met by imports of foot-wear from abroad till World War I. The War necessitated the stoppage of imports of this item and quite a number of small shoe-making establishments were set up in the country. In 1932, the establishment of a modern shoe factory at Komnagar, near Calcutta by the late Thomas Bata gave a fillip to the shoe-making industry in India. Before the outbreak of World War II in 1939, no less than 42 footwear factories were operating in the country.

The Footwear Industry has made phenomenal progress in large-scale production during the last three decades and has a bright future on account of the likely increase in demand for shoes due to improvements in living standards.

The principal centres of the Footwear Industry are Agra, Kanpur, Calcutta and Bombay. State-wise distribution of Footwear factories alongwith their

respective average daily employment for the year 1965 is given in Statement 1.1.

STATEMENT 1.1

State-wise Distribution of Footwear Factories in India and Average Daily Employment therein during 1965

State						Number of Factories	Average Daily Employment
1						2	3
1. Andhra Pradesh	..	..	..	..	..	2 (1.4)	60 (0.2)
2. Bihar	..	..	..	..	..	5 (3.5)	884 (3.5)
3. Gujarat	..	..	..	..	..	2 [(1.4)	90 (0.4)
4. Maharashtra	..	..	..	..	..	16 (11.1)	437 (1.8)
5. Madras	..	..	..	..	..	6 (4.2)	1,005 (4.0)
6. Mysore	..	..	..	..	..	2 (1.4)	39 (0.2)
7. Orissa	..	..	..	..	..	1 (0.7)	59 (0.2)
8. Punjab	..	..	..	..	..	9 (6.2)	1,128 (4.5)
9. Uttar Pradesh	..	..	..	..	..	57 (39.6)	4,533 (18.2)
10. West Bengal	..	..	..	..	..	32 (22.2)	16,473 (65.9)
11. Delhi	..	..	..	..	..	12 (8.3)	277 (1.1)
Total						144 (100.0)	24,985 (100.0)

Note -Figures shown in brackets are percentages to total.

Source—Returns received under the Factories Act, 1948 for the year 1965.

It is seen from the above statement that judging from the establishment angle the Industry is mainly concentrated in Uttar Pradesh which accounted for about 40 per cent. of factories in 1965, followed by West Bengal (about 22 per cent. of factories), Maharashtra (about 11 per cent. of factories), Delhi (about 8 per cent. of factories) and Punjab (about 6 per cent. of factories). However, judged from the number of workers employed, West Bengal occupies the top position, accounting for nearly 66 per cent. of the total number of workers employed in the Industry in the country in 1965 followed by Uttar Pradesh accounting for 18 per cent. of total employment. Remaining States accounted for less than 5 per cent. individually.

1.2. Genesis of the Survey—

The first comprehensive survey of conditions of labour in various industries in India on a country-wide basis was conducted by the Royal Commission on

labour during 1929—31. On the basis of its report and findings, various ameliorative measures were introduced by the Government in the field of labour. After a lapse of over a decade, i.e. in 1944, the Government of India appointed another Committee viz., the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries including the Tanneries and Leather Goods Manufacture during 1944-45 and besides a main report on labour conditions in general, published individual reports in respect of various industries. These reports provided valuable material for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were enforced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in the conditions of work and wages in various industries. Above all, the attainment of Independence by the country in 1947 gave a new status to the working classes. With a view to evaluating and assessing the effects of the various measures adopted, the Ministry of Labour and Employment as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted. Such a survey it was felt, would also help the Government in obtaining a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan and the Labour Bureau was entrusted with its execution. The scheme drawn up by the Bureau envisaged to cover 16 industries according to a phased programme in four rounds. Footwear was one of the 18 industries covered during the fourth round of the Survey of Labour Conditions.

1.3. *Scope and Design*—

While the Labour Investigation Committee treated the Tanning and Leather Goods Manufacturing as one industry, it was decided, for the purpose of Survey of Labour Conditions, to treat Tanneries as a separate industry. The Survey in respect of Footwear Industry covers the following groups/sub-groups of the Industrial Classification as adopted for factories by the Bureau :

Code No. 241—Manufacture of Boots and Shoes (except Rubber Footwear).

Code No. 242—Repairs of Boots and Shoes (except Rubber Footwear).

Code No. 300(b)—Rubber Footwear.

A note given in the Appendix of this Report spells out the details relating to the sample design and method of estimation adopted. In view of the absence of a complete list of all Footwear factories in the country, it was decided that the scope of the Survey should be restricted to factories registered under the Factories Act, 1948. The list of registered factories during 1963 was used as the frame except in case of Andhra Pradesh and Maharashtra States for which the list related to the year 1962. Since there was high concentration of Footwear factories in Uttar Pradesh and West Bengal, it was considered

desirable to obtain separate information for them and hence they were treated as separate regional strata. All other Footwear factories or areas were clubbed together to form the Residual Group. However, since the past experience of the surveys in other industries had shown that wide variations existed in conditions of work, standards of welfare, amenities etc., in the units of different size groups in each industry, it was felt that it would be useful to have separate data for units of different sizes. It was, therefore, decided that for purposes of the Survey, factories engaged in the manufacture of footwear should be divided into two size-groups large and small. For this purpose, the cut-off point chosen was 190 which was approximately equal to the average size of employment per factory. The sampling fraction adopted was 25 per cent. for all the small size factories in the country while for the large size, it was 100 per cent. in case of Uttar Pradesh and 50 per cent. for West Bengal as well as for the Residual Group.

Statement 1.2 shows the number of Footwear factories together with the number of workers employed therein (a) in the frame, (b) in the sample and (c) in the sample actually covered.

STATEMENT 1.2

Number of Footwear Factories and Workers Employed therein in the Frame, Sample, etc.

Centre	In the Frame (1963)		In the Sample Selected		In the Sample Actually Covered	
	Number of Factories	Number of Workers	Number of Factories	Number of Workers	Number of Factories	Number of Workers
1	2	3	4	5	6	7
1. Uttar Pradesh ..	59	4,878	16 (27.1)	3,612 (74.0)	12 (20.3)	3,546 (72.7)
(a) Large Factories ..	1	3,183	1 (100.0)	3,183 (100.0)	1 (100.0)	3,183 (100.0)
(b) Small Factories ..	58	1,695	15 (25.9)	429 (25.3)	11 (19.0)	363 (21.4)
2. West Bengal ..	21	15,096	8 (38.1)	2,566 (17.0)	7 (33.3)	2,496 (16.5)
(a) Large Factories ..	9	14,458	5 (55.6)	2,392 (16.5)	5 (55.6)	2,392 (16.5)
(b) Small Factories ..	12	638	3 (25.0)	174 (27.3)	2 (16.7)	104 (16.3)
3. Residual ..	49	3,721	14 (28.6)	2,245 (60.3)	10 (20.4)	2,163 (58.1)
(a) Large Factories ..	5	2,732	3 (60.0)	1,913 (70.0)	3 (60.0)	1,913 (70.0)
(b) Small Factories ..	44	989	11 (25.0)	332 (33.6)	7 (15.9)	250 (25.3)
4. All-India ..	129	23,695	38 (29.5)	8,423 (35.5)	29 (22.5)	8,205 (34.6)
(a) Large Factories ..	15	20,373	9 (60.0)	7,488 (36.8)	9 (60.0)	7,488 (36.8)
(b) Small Factories ..	114	3,322	29 (25.4)	935 (28.1)	20 (17.5)	717 (21.6)

Note--Figures in brackets are percentages to respective total in the Frame.

From the figures given in Statement 1·2, it would be seen that the Survey ultimately covered nearly 22 per cent. of Footwear factories in India and about 35 per cent. of the workers employed therein. Since only those factories came in the sample as featured in the frame and it was not possible to take account of new factories which came into being during the period of the Survey, the information given in this Report should be treated to relate to factories which were in existence during the period to which the frame relates (i.e. 1962-63) and which continued to exist till the time of the Survey (i.e., 1965-66).

The data were collected through personal visits by the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey, a pilot enquiry was conducted in September-October, 1959 before taking up the main Survey of Labour Conditions in December, 1959. On the basis of the pilot enquiry as well as the experience gained during the earlier three rounds of the Survey, some major changes were carried out in the schedule* used for the collection of data in the fourth round of the Survey. For example, information pertaining to absenteeism, labour turnover, pay periods, earnings of 'Production Workers' etc., was not collected during the fourth round as such information was already being collected under other schemes of the Bureau viz., Occupational Wage Survey, Annual Survey of Industries etc.

Field survey for this industry was conducted during April, 1965--February, 1966 and as such, except where otherwise specified, the data should be deemed to relate to this period, i.e., 1965-66.

*The schedule used for the Survey has been published in the Report on Artificial Manure Factories in India.

CHAPTER II

EMPLOYMENT

The employment in the Footwear factories in the country has been showing a steady upward trend. The average daily employment in 1929 was 2,819; it rose to 6,997 in 1939 and to 17,995 in 1943, according to the estimates of the Labour Investigation Committee. In 1964, the average daily employment in the Footwear factories in India went up to 25,053 (vide Statement 1.1), which reflects an increase of nearly nine times over the 1929 level.

2.1. *Composition of the Working Force* -

During the course of the present Survey, in order to ensure comparability data in respect of employment were collected from the sampled units as on a specified date viz., the 31st March, 1965. On the basis of these data, the total employment strength of all the Footwear factories registered under the Factories Act, 1948 is estimated to be 25,001. This estimate, however, differs slightly from the similar figures collected under the Factories Act for the year 1965 i.e., 24,985 mainly because of the fact that the former represents the estimate based on the actual number of persons on roll on 31-3-65 whereas the latter is the average daily employment for 1965. Besides, the Survey estimate relates only to those factories which were in existence in 1963 and continued to exist till the time of the Survey. In other words, any new factory which came into existence after 1963 could not be covered in the present Survey.

2.1.1. *Distribution by Broad Occupational Groups*—

As per the International Standard Classification of Occupations, recommended by the International Labour Organisation, workers in the Footwear Industry were classified into the following five categories, for the purposes of the present Survey:—

- (i) Professional, Technical and Related Personnel.
- (ii) Administrative, Executive and Managerial Personnel.
- (iii) Clerical and Related Workers (including Supervisory).
- (iv) Production and Related Workers (including Supervisory).
- (v) Watch and Ward and Other Services.

The estimated percentage distribution of workers by broad occupational groups, as revealed by the Survey, is indicated in Statement 2·1.

STATEMENT 2·1

Estimated Percentage Distribution of Workers by Broad Occupational Groups in the Footwear Industry
(31st March, 1965)*

Centre	Total Number of Workers (Estimated)	Estimated Percentage of Workers				
		Profes- sional, Technical and Related Personnel	Adminis- trative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Uttar Pradesh ..	4,752	2·0	1·2	10·4	81·7	4·7
(a) Large Factories ..	3,108	2·9	0·3	12·0	80·1	4·7
(b) Small Factories ..	1,644	0·2	3·1	7·1	81·7	1·6
2. West Bengal ..	16,852	0·3	0·4	3·5	93·6	2·2
(a) Large Factories ..	16,344	0·3	0·2	3·3	94·2	2·0
(b) Small Factories ..	508	—	4·4	10·8	74·2	10·6
3. Residual ..	3,397	1·8	2·5	5·2	86·6	3·9
(a) Large Factories ..	2,278	1·1	2·3	6·0	86·7	3·9
(b) Small Factories ..	1,119	3·5	2·9	3·5	86·4	3·7
4. All-India ..	25,001	0·8	0·8	5·1	90·4	2·9
(a) Large Factories ..	21,730	0·8	0·5	4·8	91·4	2·5
(b) Small Factories ..	3,271	1·3	3·2	6·6	83·7	5·2

*‘Covered’ as well as ‘Not covered’ under the Factories Act, 1948.

The Statement shows that an overwhelming majority of the working force belonged to the group ‘Production and Related Workers’, their percentage to the total being about 90. ‘Clerical and Related Workers’ and ‘Watch and Ward and Other Services’ groups taken together accounted for only 8 per cent. of the total and the rest (about 2 per cent.) belonged to the ‘Professional, Technical and Related Personnel’ and ‘Administrative Executive and Managerial Personnel’ categories. The proportion of the workers in various groups in the two States viz., Uttar Pradesh and West Bengal and the Residual Group showed more or less the same pattern.

2·1·2. *Distribution of Workers by ‘Covered’ and ‘Not Covered’ under the Factories Act, 1948 —*

The Factories Act, 1948, defines worker as ‘a person employed, directly or through any agency whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to or connected with the manufacturing process or the subject of manufacturing process.....’. During the course of the Survey, it was observed that there was no uniformity with regard to the interpretation of the above definition of ‘worker’ and

consequently, while some units had included certain categories of employees among those covered under the Factories Act, others tended to exclude them. However, such workers formed only a small proportion of the total employment, details of which by the broad occupational groups are given in Statement 2.2.

STATEMENT 2.2

Estimated Percentage Distribution of Workers by 'Covered' and 'Not Covered' under the Factories Act, 1948 in the Footwear Industry (31st March, 1965)

Centre	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
1	2	3	4	5	6	7
1. Uttar Pradesh ..	—	100.0	28.3	71.7	91.1	8.9
(a) Large Factories ..	—	100.0	—	100.0	89.3	10.7
(b) Small Factories ..	—	100.0	33.3	66.7	96.7	3.3
2. West Bengal ..	100.0	—	37.5	62.5	100.0	—
(a) Large Factories ..	100.0	—	57.1	42.9	100.0	—
(b) Small Factories ..	—	—	—	100.0	100.0	—
3. Residual ..	100.0	—	66.7	33.3	100.0	—
(a) Large Factories ..	100.0	—	94.2	5.8	100.0	—
(b) Small Factories ..	100.0	—	21.9	78.1	100.0	—
4. All-India ..	55.7	44.3	46.6	53.4	96.5	3.5
(a) Large Factories ..	46.8	53.2	70.9	29.1	96.2	3.8
(b) Small Factories ..	90.7	9.3	22.9	77.1	98.2	1.8

Centre	Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total	
	Covered	Not Covered	Covered	Not Covered	Covered	Not Covered
			10	11	12	13
1. Uttar Pradesh ..	99.7	0.3	32.0	68.0	92.8	7.2
(a) Large Factories ..	99.5	0.5	—	100.0	90.4	9.6
(b) Small Factories ..	100.0	—	94.7	5.3	97.2	2.8
2. West Bengal ..	100.0	—	100.0	—	99.8	0.2
(a) Large Factories ..	100.0	—	100.0	—	99.9	0.1
(b) Small Factories ..	100.0	—	100.0	—	95.7	4.3
3. Residual ..	100.0	—	100.0	—	99.2	0.8
(a) Large Factories ..	100.0	—	100.0	—	99.9	0.1
(b) Small Factories ..	100.0	—	100.0	—	97.8	2.2
4. All-India ..	99.9	0.1	79.2	20.8	98.4	1.6
(a) Large Factories ..	99.9	0.1	73.6	26.4	98.5	1.5
(b) Small Factories ..	100.0	—	97.7	2.3	97.2	2.8

It would appear from the Statement that the proportion of workers 'Not covered' under the Factories Act, 1948 was the highest (nearly 53 per cent.) in the 'Administrative, Executive and Managerial' group. There was, however, no difference of opinion as regards 'Production and Related Workers' who were uniformly being treated as covered under the Factories Act, 1948, except to a very negligible extent in Uttar Pradesh.

A further examination shows that of the total number of about 24·6 thousand workers covered under the Act about 5 per cent. belonged to the group 'Clerical and Related Workers', about 92 per cent. to 'Production and Related Workers' and about 2 per cent. to 'Watch and Ward and Other Services'. The proportion of 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel' was found to be negligible (both combined accounted for about 1 per cent.).

2.2. Employment of Women---

The employment of women in the Industry was not found to be significant although about 10 per cent. of the factories employed women labour. Of the total women workers in the Industry, nearly 53 per cent. were employed in factories in Uttar Pradesh and the rest in the Residual Group of factories. Footwear factories in West Bengal, did not employ any women worker. The statistics regarding the employment strength of women and the factories employing them are presented in Statement 2·3.

STATEMENT 2·3

Estimated Proportion of Women Workers to the total Working Force in the Footwear Industry*

(31st March, 1965)

Centre	Number of Factories†	Percentage of Factories Employing Women‡	Total Number of Workers	Percentage of Women Workers (of Col. 4)	Percentage of Women Workers to the Total Number of Women Workers in the Industry
1	2	3	4	5	6
1. Uttar Pradesh ..	51	10·9	4,752	0·3	53·3
(a) Large Factories ..	1	100·0	3,108	0·4	100·0
(b) Small Factories ..	50	9·1	1,644	0·2	22·2
2. West Bengal ..	20	---	16,852	---	---
(a) Large Factories ..	9	---	16,344	---	---
(b) Small Factories ..	11	---	508	---	---
3. Residual ..	43	12·6	3,397	0·4	46·7
(a) Large Factories ..	5	---	2,278	---	---
(b) Small Factories ..	38	14·3	1,119	1·3	77·8
4. All-India ..	114	9·6	25,001	0·1	100·0
(a) Large Factories ..	15	6·7	21,730	0·1	100·0
(b) Small Factories ..	99	10·1	3,271	0·6	100·0

*'Covered' and 'Not Covered' under the Factories Act, 1948.

†This number does not tally with the number of factories in Statement 1·2. The difference is due to the fact that certain number of factories were found closed at the time of the Survey.

Data were also collected in respect of the distribution of women workers by broad occupational groups. It was found that nearly 44 per cent. of women workers were employed as 'Clerical and Related Workers', 23 per cent. each in the groups 'Production and Related Workers' and 'Professional, Technical and Related Personnel', and 10 per cent. as 'Watch and Ward and Other Services'. As regards the nature of work, the women workers were engaged on clerical jobs or as private secretaries, in schools and female dispensaries in labour colonies, in upper making and in jobs like sweeping etc. No particular reason was advanced by the employers for employing women except the nature of the work being more suitable for women workers.

2.3. Child Labour --

During the course of the Survey, none of the sampled units were found to be employing child labour.

2.4. Time-rated and Piece-rated Workers --

The Survey has revealed that amongst the 'Production and Related Workers', both systems of payment viz., the time-rated and the piece-rated were prevalent in the Industry. Statement 2.4 gives the distribution of 'Production and Related Workers' employed directly as well as through contractors and covered under the Factories Act, 1948 by methods of payment.

STATEMENT 2.4

Estimated Percentage Distribution of 'Production Workers' in the Footwear Industry by Methods of Payment
(31st March, 1965)

Centre		Total Number of 'Product- tion'† Workers	Distribution of Workers into		Percentage Distribution of Workers by Sex and Method of Payment					
			Time- rated	Piece- rated	Men		Women		Children	
					Time- rated	Piece- rated	Time- rated	Piece- rated	Time- rated	Piece- rated
1		2	3	4	5	6	7	8	9	10
1. Uttar Pradesh	..	3,869	36.2	63.8	36.2	63.8	..	..	..	..
(a) Large Factories	..	2,477	53.3	46.7	53.3	46.7	..	..	..	..
(b) Small Factories	..	1,392	5.7	94.3	5.7	94.3	..	..	..	..
2. West Bengal	..	15,766	48.6	51.4	48.6	51.4	..	..	..	..
(a) Large Factories	..	15,389	47.8	52.2	47.8	52.2	..	..	..	..
(b) Small Factories	..	377	81.2	18.8	81.2	18.8	..	..	..	..
3. Residual	..	2,785	35.8	64.2	35.9	64.1	..	100.0	..	..
(a) Large Factories	..	1,818	34.8	65.2	34.8	65.2	..	..	..	..
(b) Small Factories	..	967	37.6	62.4	37.9	62.1	..	100.0	..	..
4. All-India	..	22,420*	44.9	55.1	44.9	55.1	..	100.0	..	..
(a) Large Factories	..	19,684	47.3	52.7	47.3	52.7	..	..	..	..
(b) Small Factories	..	2,736	27.4	72.6	27.5	72.5	..	100.0	..	..

* Covered under the Factories Act, 1948.

† This figure includes direct and contract labour but excludes 158 unpaid workers.

It will be seen from the Statement that, in the Industry as a whole the predominant system of payment was piece-rate which accounted for about 55 per cent. of the workers. The rest (i.e., 45 per cent.) were employed on time-rate basis. The 'Production Workers' who were employed on piece-rate basis accounted for nearly 55 per cent. for men and cent per cent. for women. As between large and small factories in the Industry, the piece-rate system appeared to be more popular in small factories than in large ones.

2.5. Contract Labour—

The system of employing contract labour was not found to be very much prevalent in the Footwear Industry. Details about the extent of workers employed through contractors have been presented in Statement 2.5.

STATEMENT 2.5

Estimated Percentage of Factories Employing Contract Labour in the Footwear Industry
(31st March, 1965)

Centre		Number of Factories	Percentage of Factories Employing Contract Labour	Total Number of Production Workers in the Industry	Number of Production Workers Employed through Contractors
1		2	3	4	5
1. Uttar Pradesh ..	..	51	8.9	3,869	451 (11.7)
(a) Large Factories	..	1	—	2,477	—
(b) Small Factories	..	50	9.1	1,392	451 (32.4)
2. West Bengal ..	..	20	45.5	15,766	633 (4.0)
(a) Large Factories	..	9	40.0	15,389	562 (3.7)
(b) Small Factories	..	11	50.0	377	71 (18.8)
3. Residual ..	..	43	—	2,943	—
(a) Large Factories	..	5	—	1,976	—
(b) Small Factories	..	38	—	967	—
4. All-India ..	..	114	12.0	22,578	1,084 (4.8)
(a) Large Factories	..	15	24.0	19,842	562 (2.8)
(b) Small Factories	..	99	10.2	2,736	522 (19.1)

Note—Figures within brackets in column 5 are percentages to those in column 4.

It will be seen that the system of employing contract labour was prevalent in only 12 per cent. of the factories comprising 24 per cent. of large and about 10 per cent. of small factories. Such factories were located in Uttar Pradesh and West Bengal only. It was significant to note that in Uttar Pradesh, none of the large factories employed contract labour. However, at the Industry level, contract workers accounted for only about 5 per cent. of the total number of 'Production Workers'.

Contract labour was generally employed for jobs like sole or heel making, sewing or stitching, moulding and galvanising. The main reasons advanced by the employers for employment of such workers were the convenience and economy due to the nature of these jobs and relief from the botheration of making supervisory arrangements. In one of the small units covered in Uttar Pradesh during the Survey, it was found that all the jobs were executed by contract labour.

2.6. System of Recruitment—

The present Survey has shown that about 80 per cent. of workers were recruited directly by the employers at the factory gate while nearly 11 per cent. of the workers were recruited through the Labour Office. Out of the balance, nearly 6 per cent. were recruited through Employment Exchanges. The remaining (about 3 per cent.) were recruited by other methods such as interview, advertisements etc. It is a welcome feature of the Industry that the practice of recruiting workers through intermediaries like mistries or jobbers, recruiters etc., was not in vogue in any of the units surveyed.

As regards the system of recruitment in different centres, it was found that in West Bengal nearly 98 per cent. of the workers were recruited at the factory gate and the remaining 2 per cent. by advertisement and direct interview. In Uttar Pradesh the bulk of the recruitment (nearly 62 per cent.) was done through the labour office, while the gate system and the Employment Exchanges accounted for nearly 28 per cent. and 9 per cent. respectively. The remaining about 1 per cent. were recruited through Public Service Commissions and other Boards. The factories in the Residual Group, however, revealed a different trend, accounting for nearly 57 per cent. by gate system and 33 per cent. through Employment Exchanges.

2.7. Employment Status—

During the course of the present Survey, information pertaining to the classification of 'Production and Related Workers' employed directly into different categories of employment status was collected. Such information appears in Statement 2.6.

STATEMENT 2.6

Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status in the Footwear Industry
(31st March, 1965)

Centre	Total Number of Production Workers† (Employed directly)	Percentage Distribution of Workers						
		Permanent Workers	Probationers	Temporary	Badlis	Casual Workers	Apprentices	
							Paid	Unpaid
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	3,418	59.5	—	34.5	5.9	—	—	0.1
(a) Large Factories ..	2,477	77.7	—	14.1	8.1	—	—	0.1
(b) Small Factories ..	941	11.7	—	88.3	—	—	—	—

STATEMENT 2·6 - *contd*

1		2	3	4	5	6	7	8	9
2. West Bengal	..	15,133	66·6	—	33·4	—	—	—	
(a) Large Factories	..	14,827	66·4	—	33·6	—	—	—	—
(b) Small Factories	..	306	71·6	—	28·4	—	—	—	—
3. Residual	..	2,785	71·0	2·0	22·6	—	1·8	2·6	—
(a) Large Factories	..	1,818	92·9	3·1	1·2	—	2·8		—
(b) Small Factories	..	967	29·9	—	62·8	—	—	7·3	
4. All-India	..	21,336	66·0	0·3	32·2	1·0	0·2	0·3	*
(a) Large Factories	..	19,122	70·4	0·3	27·9	1·1	0·3	—	*
(b) Small Factories	..	2,214	27·9	—	68·9	—	—	3·2	-

†Covered under the Factories Act, 1948 and excluding 158 convicts.

*Less than 0·05.

It may be pointed out that classifications of workers according to employment status is obligatory for units employing 100 or more workers under the Industrial Employment (Standing Orders) Act, 1946. In the case of those units where framing of such orders was not obligatory or the same had not been otherwise framed, reliance had to be placed on the version of the managements regarding the employment status of their workers.

From Statement 2·6, it would appear that in the Footwear Industry as a whole, nearly 66 per cent. of 'Production Workers' were permanent and nearly 32 per cent. temporary. *Badli*, casual workers, probationers and apprentices accounted for nearly 2 per cent. of the 'Production Workers' employed directly. The percentage of permanent workers in small factories was quite low as compared to large factories, the respective figures being about 28 and 70. On the other hand, the proportion of temporary workers in small and large factories showed a reverse trend, the respective figures being about 69 and 28.

2·8. Length of Service—

As already stated, the 'Production and Related Workers' constituted the bulk of the working force in the Footwear Industry. A study of distribution of such workers according to their length of service was made during the course of the present Survey. The data are presented in Statement 2·7.

STATEMENT 2-7

Estimated Percentage Distribution of 'Production Workers' Employed Directly According to Length of Service in the Footwear Industry

(31st March, 1965)

Centre	Total Number of Production Workers*	Percentage Distribution of Workers having Length of Service of				
		Under 1 year	1 year and more but under 5 years	5 years and more but under 10 years	10 years and more but under 15 years	15 years and more
1	2	3	4	5	6	7
1. Uttar Pradesh ..	3,416	38.9	16.1	9.4	11.2	24.4
(a) Large Factories ..	2,475	20.4	18.7	12.4	15.2	33.3
(b) Small Factories ..	941	87.5	9.5	1.4	0.8	0.8
2. West Bengal ..	15,133	48.3	22.5	15.8	7.9	5.5
(a) Large Factories ..	14,827	48.7	21.5	16.1	8.1	5.6
(b) Small Factories ..	306	28.4	68.0	3.6	—	—
3. Residual ..	2,785	28.6	28.9	18.9	15.1	8.5
(a) Large Factories ..	1,818	6.1	35.7	24.3	22.1	11.5
(b) Small Factories ..	967	70.1	16.0	8.8	2.2	2.9
4. All-India ..	21,334	44.2	22.3	15.2	9.4	8.9
(a) Large Factories ..	19,120	41.0	22.5	16.4	10.4	9.7
(b) Small Factories ..	2,214	71.7	20.4	4.9	1.3	1.7

*Covered under the Factories Act, 1948 and employed directly excluding 2 unpaid workers and 158 convicts.

In the Industry, as a whole, it is estimated that on 31st March, 1965, about 44 per cent. of 'Production and Related Workers' had less than one year's service, 22 per cent. between one year but less than five years and 15 per cent. between five years but less than ten years. The rest of the 'Production and Related Workers' constituting about 19 per cent. of the total had put in a service of ten years and more. Between the large and small factories, the former accounted for nearly 20 per cent. of workers having ten years' or more of service while the latter had only 3 per cent. of workers in this category. The main reason for this seems to be higher wages and better working conditions offered by the larger factories. As regards the different centres, the distribution of workers according to their length of service was more or less on the same pattern, except in the case of Uttar Pradesh where more than 35 per cent. of workers had ten years or more of service to their credit.

2.9. Absenteeism and Labour Turnover—

As mentioned earlier, during the present Survey, statistical data pertaining to absenteeism and labour turnover were not collected because such information has already been collected separately by the Bureau under the Annual Survey of Industries and it was expected that the same could be

utilised for this Report also. Since the data collected during the Annual Survey of Industries, 1964 are still in the processing stage, no use could be made of them in this Report.

However, an attempt was made to have a general idea about the measures and steps taken by the management to reduce absenteeism and labour turnover. Such information collected during the Survey revealed that nearly 28 per cent. of the Footwear factories, comprising about 35 per cent. of large and about 27 per cent. of small factories surveyed, had taken some steps to reduce absenteeism. The factories attempting to reduce absenteeism comprised about 9 per cent. of the factories in Uttar Pradesh, about 45 per cent. in West Bengal and about 42 per cent. of the factories in the Residual Group. Generally the steps taken by the employers to reduce absenteeism included stoppage of wages for days of absence, linking of bonus with actual earnings, explanations, warnings and even dismissal, if the worker remained absent for seven consecutive days.

As regards labour turnover, it was found that only about 8 per cent. of the factories at the industry level (comprising 9 per cent. of factories in West Bengal and about 17 per cent. in Residual Group) had taken some steps to reduce labour turnover. Large factories accounted for a higher percentage (nearly 23) as compared with small factories (nearly 5). The steps taken to reduce labour turnover included cash awards and attractive bonus, wages, gratuity etc.

2.10. *Training and Apprenticeship*—

The Survey has revealed that the training and apprenticeship schemes were not very much in vogue in the Footwear Industry as these facilities existed in only about 6 per cent. of the factories surveyed. The proportion of units providing such facilities was higher in the Residual Group (about 13 per cent.) than in Uttar Pradesh (about 2 per cent.). None of the units covered in West Bengal were providing any training facility.

In Uttar Pradesh, the one unit which provided training facilities, imparted training in all the boot-making divisions for periods varying from six months to one year. These facilities were available to candidates recommended by the Principal, Leather Institute and possessing a post-matriculation diploma in footwear technology. No remuneration or allowance was paid during the period of training.

In the Residual Group, the unit providing training facilities was a public sector undertaking which had regular programme of one year duration for training in shoe manufacturing. The training was open to Central Government apprentices as well as to general public, but the former received a consolidated allowance of Rs. 100.00 p.m. while the latter were entitled to Rs. 25.00 p.m. After completion of the training, the candidates received preferential treatment in matters of employment.

CHAPTER III

WAGES AND EARNINGS

During the course of the present Survey, no attempt was made to collect data on wage rates for individual occupations as well as wage revisions since this information had already been collected by the Bureau under the Second Occupational Wage Survey (1963-65).

3.1. *Earnings*—

As mentioned earlier, in order to avoid duplication in the collection of data, information relating to pay periods and earnings of 'Production Workers, which was to be covered under the Second Occupational Wage Survey, was not collected for the present Survey. Since the data collected are under the Second Occupational Wage Survey still being processed, it has not been possible to incorporate the same in this Report. Information was, however, collected for the remaining four categories of workers viz., Professional, Technical and Related Personnel; Administrative, Executive and Managerial Personnel; Clerical and Related Workers (including Supervisory); and Watch and Ward and Other Services. The data collected relate to workers covered under the Factories Act, 1948. The details appear in Statement 3.1.

STATEMENT 3.1

Estimated Average Daily Earnings of the Workers by Broad Occupational Groups in the Footwear Industry*
(March, 1965)

(In Rupees)

Centre	Average Daily Earnings of				
	Professional, Technical and Related Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory Staff)	Watch and Ward and Other Services	
1	2	3	4	5	
1. Uttar Pradesh ..	—	8.46	10.18	2.93	
(a) Large Factories ..	—	—	12.87	—	
(b) Small Factories ..	—	8.46	4.92	2.93	
2. West Bengal ..	13.83	20.65	5.31	3.57	
(a) Large Factories ..	13.83	20.65	5.32	3.66	
(b) Small Factories ..	—	—	5.18	3.07	
3. Residual ..	16.28	22.70	10.83	4.86	
(a) Large Factories ..	29.63	23.66	12.56	6.20	
(b) Small Factories ..	8.01	15.96	5.87	2.50	
4. All-India ..	15.09	19.02	7.80	3.80	
(a) Large Factories ..	18.38	22.72	8.46	4.23	
(b) Small Factories ..	8.01	10.23	5.18	2.85	

*Covered under the Factories Act, 1948.

It would be seen (Statement 3.1) that the workers in the **Residual Group** (outside Uttar Pradesh and West Bengal) had a higher average daily earnings in all the four categories of workers, as compared with the daily average earnings of workers in Uttar Pradesh and West Bengal. It is significant to note that within the Residual Group, the disparity between the average daily earnings of workers employed in large and small factories was quite marked e.g., in the large factories the average daily earnings were nearly four times higher than in small factories in the 'Professional, Technical and Related Personnel' group, nearly $1\frac{1}{2}$ times higher in the 'Administrative, Executive and Managerial Personnel' group; nearly twice in the 'Clerical and Related Workers' group and about $2\frac{1}{2}$ times in the 'Watch and Ward and Other Services' group. In the factories located in Uttar Pradesh, the average daily earnings of workers in the 'Administrative, Executive and Managerial Personnel' as well as 'Watch and Ward and Other Services' groups were the lowest (Rs. 8.46 and Rs. 2.93 respectively) as compared with other centres. In Uttar Pradesh, it was also observed that the average daily earnings of the workers in the 'Administrative, Executive and Managerial Personnel' group were lower than those of the workers in the 'Clerical and Related Workers' group. The matter was further probed and it was found that the average daily earnings of the workers in the 'Administrative, Executive and Managerial Personnel' group were slightly deflated because there were no workers belonging to this category in any of the large factories surveyed in Uttar Pradesh, who were covered under the Factories Act. At the Industry level, a comparison of average daily earnings of workers in the four categories *inter-se*, revealed that 'Administrative, Executive and Managerial Personnel' group ranked first (Rs. 19.02), closely followed by the 'Professional, Technical and Related Personnel' group (Rs. 15.09). The corresponding figures for the 'Clerical' group and 'Watch and Ward and Other Services' group were Rs. 7.80 and Rs. 3.80 respectively. Generally, the pay period of the aforesaid four categories of workers was month, as revealed by the Survey.

3.2. *Dearness Allowance*

The Survey results show that dearness allowance in addition to basic wages was being paid in about 29 per cent. of the Footwear factories in the country, out of which the large factories accounted for 52 per cent. and small factories about 26 per cent. Among the different Centres, nearly 50 per cent. of the units in the Residual Group were paying separate dearness allowance while in Uttar Pradesh and West Bengal, the relative figures were about 20 and 9 per cent. respectively. At the Industry level, of the units paying separate dearness allowance, about 38 per cent. of the units were paying according to income slabs; about 35 per cent. at a flat rate, while it was linked with the Consumer Price Index Number in about 8 per cent. of the units. The balance consisted of units paying separate dearness allowance at the discretion of the management (about 14 per cent.) and according to a combination of income slabs and flat rate (about 5 per cent.). Of the factories covered in the present Survey, in only two (one in Uttar Pradesh and the other in the Residual Centre) was the dearness allowance of workers linked with the Consumer Price Index Numbers. In the former, it was linked with the Working Class Consumer Price Index Number for Kanpur and in the latter with that of Delhi. Base period of both the series was August, 1939=100.

3.3. *Other Allowances—*

3.3.1. *Production/Incentive Bonus*

The Survey results show that the practice of paying production/incentive bonus was not common in the Footwear Industry. Only one of the large units surveyed in West Bengal was paying this type of bonus to 'Production and Related Workers' when production exceeded a prefixed norm in the scrapping department. The rates at which production bonus was paid differed from occupation to occupation. For example, on exceeding the fixed targets, workers were given production bonus at 10 paise per pair for scrapping, 60 paise for a canvas heel, Re. 1 for a sole heel and so on.

3.3.2. *Night Shift Allowance—*

Excepting one large factory in the Residual Group, no other unit surveyed was paying Night Shift Allowance to its employees working in night shifts. This allowance was payable to 'Production Workers' only at the rate of 20 per cent. of the actual earnings in the night shift concerned.

3.3.3. *House Rent Allowance --*

Payment of house rent allowance was not very much prevalent in the Footwear Industry. Only one large size factory surveyed in Uttar Pradesh was paying house-rent allowance to its senior officers and one factory (large size) in the Residual Group was paying this allowance to all workers who were not allotted residential accommodation. In Uttar Pradesh, the rate of payment ranged between Rs. 75.00 and Rs. 150.00 per month while in the Residual Group it varied from Rs. 5.00 to Rs. 12.00 per month depending upon the earnings of the employees. Among the small size factories, only one unit in the Residual Group was paying house-rent allowance to all employees drawing less than Rs. 500.00 per month and residing within the city area. The rate of payment ranged between Rs. 10.00 and Rs. 20.00 per month.

3.3.4. *Conveyance Allowance*

During the Survey, only one small size factory in the Residual Group was found paying this allowance to its clerical employees and machine operators who were coming from a long distance to work. The rate of payment was Rs. 5.00 per month.

3.3.5. *Other Cash Allowances---*

Earnings due to allowances other than those discussed above were in the form of personal allowance to skilled workers in mould press at the rate of Re. 0.92 per week; water allowance for filling the pitchers with water by the Watch and Ward Staff (Re. 0.28 per day); tool allowance (Re 0.25 per week); and typing allowance to the clerical staff doing typing work (Rs. 15.00 per month).

3.4. *Bonuses---*

3.4.1. *Annual/Year-end Bonus—*

Prior to the enactment of the Payment of Bonus Act, 1965, there was no law regulating the payment of bonus to the workers employed in factories and other establishments in the country. On the basis of the information collected

during the Survey, it is estimated that only about 8 per cent. of the Footwear factories (comprising about 9 and 17 per cent. of the factories in West Bengal and Residual Group respectively) were paying annual bonus to their employees. The percentage of large factories paying this bonus was higher (about 23) as compared to small factories (about 5). No Footwear factory surveyed in Uttar Pradesh was found paying annual bonus to the workers. In the Residual Group, in one of the small factories covered, there was a regular scheme of annual bonus, while in the rest there was no regular scheme.

In West Bengal, one large size factory was paying annual bonus on the basis of a voluntary agreement between the workers and the management and it was payable to all workers having at least nine months' continuous service. The rate of payment ranged between 11 and 15 days' wages. In the Residual Group, one large size unit was paying annual bonus to all categories of workers on completion of 30 days' service at the rate of 4 per cent. of basic wages and dearness allowance, but in the small size factory it was payable only to permanent workers at the rate of 14 per cent. of the earnings of the workers. In all the units paying annual bonus, the payment was being made in cash.

3.4.2. *Festival Bonus* -

The system of paying festival bonus was found in existence in about 46 per cent. of the factories in West Bengal, constituting nearly 8 per cent. of the factories at the Industry level. In none of the other Centres, festival bonus was being paid to the workers. In all the units paying festival bonus, the payment was entirely at the discretion of the management. Excepting one small factory in West Bengal, where the management insisted on one year's qualifying service for the payment of festival bonus, no condition was attached to this payment in any other factory. The rate of payment varied from unit to unit depending either on the earnings of the workers or their categories. The bonus was being paid invariably in cash and covered all categories of workers.

3.4.3. *Profit-sharing Bonus*—

During the course of the Survey, only one large size factory located in Uttar Pradesh was found to be paying profit-sharing bonus* to all categories of workers with at least 32 days' service to their credit in the bonus year. The rate of payment was 25 per cent. of the total basic wages earned by a worker in the year to which the bonus related.

3.5. *Fines and Deductions*—

The Survey results show that none of the units surveyed were imposing any fine on their workers and as such Fines Registers were also not maintained separately. Deductions, wherever made, were generally in conformity with the provisions of the Payment of Wages Act, 1936, as the percentage of units where it was not in conformity with the Payment of Wages Act was hardly 9.

*The term 'profit-sharing bonus' has been defined as "an arrangement under which an employer, in accordance with an agreement freely entered into, hands over to his work-people as supplementary remuneration a share, fixed in advance, of the profits of the concern in which they are engaged."

CHAPTER IV

WORKING CONDITIONS

Working conditions obtaining in industries in India have all along attracted the attention of the Government of India as well as the State Governments. As a result, significant improvements in the conditions of work owe a good deal to the legislative enactments, particularly the Factories Act, 1948. The following paragraphs describe the working conditions in the Footwear Industry as observed at the time of the Survey.

4.1. *Shifts*

The Survey results show that nearly 89 per cent. of the Footwear factories were working only one shift daily. Factories which worked two shifts and three shifts daily constituted about 6 per cent. and 5 per cent. respectively. Details appear in Statement 4.1.

STATEMENT 4.1

*Estimated Percentage of Footwear Factories according to Number of Shifts
(1965-66)*

Centre	Number of Factories	Percentage of Factories having			Percentage of Factories having Night Shift
		One Shift	Two Shifts	Three Shifts	
1. Uttar Pradesh ..	51	100.0	---		
(a) Large Factories ..	1	100.0	—		
(b) Small Factories ..	50	100.0	---		
2. West Bengal ..	20	54.5	18.0	27.5	27.5
(a) Large Factories ..	9	60.0	40.0	—	—
(b) Small Factories ..	11	50.0	—	50.0	50.0
3. Residual ..	43	92.3	7.7	—	3.9
(a) Large Factories ..	5	33.4	66.6	—	33.4
(b) Small Factories ..	38	100.0	—	—	—
4. All-India ..	114	89.1	6.1	4.8	6.8
(a) Large Factories ..	15	53.8	46.2	—	11.1
(b) Small Factories ..	99	94.4	—	5.6	5.6

In Uttar Pradesh, all the factories were working only one shift daily. In Residual Group nearly 92 per cent. of the factories were working single shift and the remaining were working two shifts. Only in West Bengal, it was observed that nearly 28 per cent. factories were having three shifts daily. The proportion of factories working single shift and double shifts in West

Bengal was about 55 per cent. and 18 per cent. respectively. Night shift* was being worked in all the factories in West Bengal which had three shifts and in a few factories in the Residual Group, which had only two shifts. In all the factories in West Bengal, there was a regular weekly system of changeover, while in Residual group, the changeover was fortnightly. Excepting one large factory in Residual Group, where shift allowance was paid, no other factories surveyed provided any amenity to night shift workers.

4.2 Hours of Work—

The data collected during the present Survey show that in 85 per cent. of the Footwear factories in the country, the hours of work for adult workers in day shifts were 8 per day with a 48 hours week. It was noticed that in about 9 per cent. factories, the hours of work were less than 8 per day while nearly 6 per cent. had a 8½ hours day. For night shifts, in more than three-fourths of the factories the working hours were equal to 7½. Details appear in Statement 4.2.

STATEMENT 4.2
Daily Hours of Work in the Footwear Industry
(1965-66)

Centre	Number of Factories	Estimated Percentage of Factories where				
		Daily Hours of Work for Majority of Adult Workers were			Night-shift Hours were	
		Less than 8	Equal to 8	More than 8	Less than 8	More than 8
1	2	3	4	5	6	7
1. Uttar Pradesh ..	51	8.9	91.1	—	—	—
(a) Large Factories ..	1	—	100.0	—	—	—
(b) Small Factories ..	50	9.1	90.9	—	—	—
2. West Bengal ..	20	27.5	72.5	—	100.0	—
(a) Large Factories ..	9	—	100.0	—	—	—
(b) Small Factories ..	11	50.0	50.0	—	100.0	—
3. Residual ..	43	—	83.5	16.5	—	100.0
(a) Large Factories ..	5	—	66.6	33.4	—	100.0
(b) Small Factories ..	38	—	85.7	14.3	—	—
4. All-India ..	114	8.8	85.0	6.2	76.7	23.3
(a) Large Factories ..	15	—	88.9	11.1	—	100.0
(b) Small Factories ..	99	10.1	84.4	5.5	100.0	—

Wherever contract labour was employed, their working hours did not exceed 8 per day.

As regards the practice in respect of rest interval and spread-over, the data collected appear in Statement 4.3.

*For the purposes of the Survey, a night shift was treated as one whose majority of working hours fell between 10 P.M and 6 A.M.

STATEMENT 4.3

Estimated Percentage Distribution of Footwear Factories According to Duration of Spread-over and Rest-Intervals etc.

(1965-66)

Centre	Number of Factories	Percentage of Factories where Spread-over was for				
		Day Shifts			Night Shifts	
		Up to 8 hours	More than 8 and up to 9 hours	More than 9 hours	Equal to 8 hours	Equal to 9½ hours
1	2	3	4	5	6	7
1. Uttar Pradesh	51	8.9	91.1	—	—	—
(a) Large Factories	1	—	100.0	—	—	—
(b) Small Factories	50	9.1	90.9	—	—	—
2. West Bengal	20	27.5	72.5	—	100.0	—
(a) Large Factories	9	—	100.0	—	—	—
(b) Small Factories	11	50.0	50.0	—	100.0	—
3. Residual	43	—	83.5	16.5	—	100.0
(a) Large Factories	5	—	66.6	33.4*	—	100.0
(b) Small Factories	38	—	85.7	14.3	—	—
4. All-India ..	114	8.8	85.0	6.2	76.7	23.3
(a) Large Factories	15	—	88.9	11.1	—	100.0
(b) Small Factories	99	10.2	84.3	5.5	100.0	—

Centre	Percentage of Factories where Rest Interval was for					Percentage of Factories where Timings were not being observed
	Day Shifts			Night Shifts		
	Equal to $\frac{1}{2}$ hour	Equal to 1 hour	Equal to $1\frac{1}{2}$ hours	Equal to $\frac{1}{2}$ hour	Equal to $\frac{3}{4}$ hour	
1	8	9	10	11	12	13
1. Uttar Pradesh ..	8.9	91.1	—	—	—	44.6
(a) Large Factories ..	—	100.0	—	—	—	—
(b) Small Factories ..	9.1	90.9	—	—	—	45.5
2. West Bengal ..	36.5	63.5	—	100.0	—	—
(a) Large Factories ..	20.0	80.0	—	—	—	—
(b) Small Factories ..	50.0	50.0	—	100.0	—	—
3. Residual ..	37.9	58.2	3.9	—	100.0	—
(a) Large Factories ..	—	66.6	33.4	—	100.0	—
(b) Small Factories ..	42.9	57.1	—	—	—	—
4. All-India ..	24.7	73.8	1.5	76.7	23.3	19.9
(a) Large Factories ..	12.0	76.9	11.1	—	100.0	—
(b) Small Factories ..	26.6	73.4	—	100.0	—	23.0

*For only five days in a week, Saturday being a holiday.

It is apparent from statement 4.3 that a rest-interval of half-an-hour was being allowed to workers, during the day shift in about one-fourth of the Footwear factories in the country. In about 74 per cent. of the factories, the duration of rest-interval was one hour while in the remaining (about 1 per cent.) it was equal to $1\frac{1}{2}$ hours. The daily spread-over of working hours did not exceed $10\frac{1}{2}$ hours in any of the factories surveyed. In about 9 per cent. of the factories in the country, the spread-over was up to 8 hours, in 85 per cent. of the factories it was more than 8 and up to 9 hours while in the remaining about 6 per cent. It was more than nine hours. It was significant to note that in about 33 per cent. of the large factories in the Residual Group, where the spread-over was $10\frac{1}{2}$ hours, the factories were working for five days in a week and the weekly hours of work came to 42.30 hours only.

In factories having night shifts, the duration of spread-over was equal to 8 hours in about 77 per cent. and equal to $9\frac{1}{2}$ hours in the remaining about 23 per cent. of the factories. The rest interval in the former category of factories was equal to half an hour while in the latter it was equal to three-fourths of an hour.

It was further observed, during the Survey, that in about 20 per cent. of the factories, the prescribed timings of work were not being observed strictly.

4.3. *Dust and Fumes—*

The Survey results show that processes giving off considerable dust such as buffing, packing and mixing etc., were being carried on in about 26 per cent. of the Footwear factories. These units had adopted some precautionary measures to safe-guard workers against dust hazard. These measures were usually in the form of isolation of dusty processes and provision of local or general exhaust system. Protective equipments like dust masks had been provided in about 42 per cent. of the factories having dusty processes.

Processes giving off fumes, vapours or gases such as vulcanising were being carried on in about 9 per cent. of the factories. Nearly 90 per cent. of the factories having such processes were found to be lacking in the provision of protective equipments or other devices to avoid fume hazard.

As regards housekeeping (i.e., dusting, cleaning and arrangement of articles etc.) in the departments where processes giving off dust, fumes, vapours or gases were being carried on, it was satisfactory in about 82 per cent. of the factories whereas in the remaining about 18 per cent. it was found to be unsatisfactory.

4.4. *Seating Arrangements—*

Under the Factories Act, 1948, the managements are required to make suitable arrangements for sitting for all such workers who are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of work. This aspect was enquired into during the course of the Survey and it was found that in about 79 per cent. of the factories (comprising all large and about 86 per cent. of the small factories), the workers were obliged to work in standing position, out of which more than

three-fourths of the factories (comprising all large and about 64 per cent. of the small factories) had made seating arrangements wholly or partially. The usual explanation given by the managements for not providing seating arrangements was that any such provision would hamper the progress of work.

4.5. *Conservancy*—

Under the Factories Act, 1948, it is obligatory for every factory to maintain an adequate number of latrines and urinals of a prescribed standard for the use of workers. The Survey results show that excepting about 12 per cent. of factories belonging to small size in Uttar Pradesh, all other factories had provided latrines for the use of their workers. Thus, it is estimated that, at the Industry level, the percentage of factories where latrines existed was nearly 92. The latrines provided were of dry-type pan in about 8 per cent. of the factories, dry-type bore hole in about 16 per cent. and dry-type without pan in about 26 per cent. Water borne sewer system existed in approximately 33 per cent. and water-borne septic tank system in about 17 per cent. of factories. Everywhere latrines were of a permanent structure with plastered or tarred walls and impervious floors. Nearly 93 per cent. of the units providing latrines had got them properly screened while about 90 per cent. provided watertaps in or near the latrines. Out of the factories providing latrines and employing female workers, separate arrangements for them existed in nearly half of them.

At the Industry level, urinals were provided in about 63 per cent. of the factories. The position in this respect was far from satisfactory in the Residual Group where not even half of the units had provided urinals. In Uttar Pradesh and West Bengal, nearly three-fourths of the units provided urinals. Generally, the reason for not providing separate urinals was that the workers were using latrines for this purpose also. Wherever the urinals were provided, their structures were permanent having impervious floors and mostly plastered walls and proper screenings. None of the factories providing urinals and employing female workers had made separate arrangements for their women employees, probably because their number was very small.

4.6. *Leave and Holidays*—

Annual leave (*i.e.*, earned leave) with pay is the only leave facility which is required to be granted by the employers to their employees as a statutory obligation under the Factories Act, 1948. All other types of leave facilities have come in vogue either as a result of mutual agreements between the employees and the employers or as a consequence of adjudication awards. Some of the State Governments have also passed laws for the grant of paid national and festival holidays to persons employed in industrial establishments. Statement 4.4 shows different types of leave and holidays that the workers in the Footwear Industry were enjoying with pay at the time of the Survey.

STATEMENT 4.4

Estimated Percentage of Footwear Factories Granting various Types of Leave and Holidays with Pay(1965-66)

Centre	Total Number of Factories	Percentage of Factories Granting			
		Earned Leave	Casual Leave	Sick Leave	National and Festival Holidays
1	2	3	4	5	6
1. Uttar Pradesh ..	51	19.8	17.8	8.9	100.0
(a) Large Factories ..	1	100.0	—	—	100.0
(b) Small Factories ..	50	18.2	18.2	9.1	100.0
2. West Bengal ..	20	100.0	18.0	9.0	100.0
(a) Large Factories ..	9	100.0	40.0	20.0	100.0
(b) Small Factories ..	11	100.0	—	—	100.0
3. Residual	43	49.5	49.5	20.4	100.0
(a) Large Factories ..	5	100.0	100.0	66.6	100.0
(b) Small Factories ..	38	42.9	42.9	14.3	100.0
4. All-India	114	45.1	29.8	13.3	100.0
(a) Large Factories ..	15	100.0	57.3	34.2	100.0
(b) Small Factories ..	99	36.7	25.6	10.1	100.0

4.6.1. Earned Leave—

It is estimated that nearly 45 per cent. of the factories in the country were granting earned leave to their employees at the time of the Survey. The compliance of law in matters of earned leave was cent per cent in large factories, but the position of small factories in this respect was unsatisfactory as only about 37 per cent. of the small factories were granting earned leave to their employees at the time of the Survey. The position in this respect varied widely from centre to centre. While in West Bengal all the factories were granting earned leave to their employees, the percentage for Uttar Pradesh and Residual Group was about 20 and 50 respectively. As regards the period of leave, qualifying conditions and rate of payment, the managements generally followed the provisions of the Factories Act, 1948.

In order to assess the extent to which the workers had actually enjoyed the benefit of earned leave during 1964, data were collected in respect of such workers during the course of the Survey. The findings appear in Statement 4.5.

STATEMENT 4.5

Estimated Number of Workers Granted Earned Leave with Pay in the Footwear Industry

(During 1964)

Centre	Estimated Average Daily Number of Workers Employed	Number of Workers Who Enjoyed Leave	Percentage of Workers who Enjoyed Leave to the Total Employed	Percentage of Workers who Enjoyed Leave	
				Up to 5 days	Over 5 and up to 10 days
1	2	3	4	5	6
1. Uttar Pradesh ..	3,983	1,570	39.4	15.7	14.4
(a) Large Factories ..	2,751	1,494	54.3	15.4	13.1
(b) Small Factories ..	1,232	76	6.2	22.4	39.5
2. West Bengal ..	13,965	8,381	60.0	5.1	9.4
(a) Large Factories ..	13,424	8,130	60.6	4.7	9.2
(b) Small Factories ..	541	251	46.4	17.5	15.1
3. Residual ..	2,953	2,061	69.8	3.8	7.2
(a) Large Factories ..	2,149	1,825	84.9	3.3	7.0
(b) Small Factories ..	804	236	29.4	7.6	8.9
4. All-India ..	20,901	12,012	57.5	6.2	9.7
(a) Large Factories ..	18,324	11,449	62.5	5.9	9.4
(b) Small Factories ..	2,577	563	21.8	14.0	15.8

Centre	Percentage of Workers who Enjoyed Leave				
	Over 10 and up to 15 days	Over 15 and up to 20 days	Over 20 and up to 25 days	Over 25 and up to 30 days	Over 30 days
1	7	8	9	10	11
1. Uttar Pradesh ..	16.8	15.9	16.8	6.7	13.7
(a) Large Factories ..	17.1	15.9	17.7	7.0	13.8
(b) Small Factories ..	10.5	17.1	—	—	10.5
2. West Bengal ..	62.2	17.6	0.5	1.7	3.5
(a) Large Factories ..	62.6	18.0	0.3	1.6	3.6
(b) Small Factories ..	49.8	4.4	8.7	4.5	—
3. Residual ..	81.4	3.4	1.8	1.5	0.9
(a) Large Factories ..	82.0	3.7	1.8	1.6	0.6
(b) Small Factories ..	76.3	1.3	1.7	1.3	2.9
4. All-India ..	59.6	14.9	2.9	2.3	4.4
(a) Large Factories ..	59.8	15.4	2.8	2.3	4.4
(b) Small Factories ..	55.6	4.8	4.6	2.5	2.7

The Statement (4.5) shows that nearly 58 per cent. of the workers in the Footwear Industry availed of earned leave with pay during 1964. The proportion of such workers was the highest in the Residual Group (about 70 per cent.), followed by West Bengal and Uttar Pradesh where the percentages were 60 and

39 respectively. As regards the duration of leave availed of, it was observed that at the Industry level, comparatively more workers (about 60 per cent.) enjoyed leave for a period of 'over 10 and up to 15 days'. Workers who enjoyed earned leave up to 10 days accounted for nearly 16 per cent. while those who enjoyed 'over 15 and up to 30 days' earned leave formed about 20 per cent. of the total workers. The remaining workers (*i.e.*, about 4 per cent.) availed earned leave for over 30 days.

4.6.2. *Casual Leave—*

Workers in about 30 per cent. of the factories in the country (Statement 4.4) were enjoying the facilities of casual leave with pay. In this matter, there was a significant difference in the three Centres. As against about 50 per cent. of the factories (comprising all large and about 43 per cent. of small factories) in the Residual Group granting casual leave to their employees, the corresponding percentage in Uttar Pradesh as well as West Bengal was 18 in each (comprising about 18 per cent. of small factories in Uttar Pradesh and 40 per cent. of the large factories in West Bengal). As regards the duration of casual leave, in approximately 37 per cent. of the units granting casual leave, the number of days allowed did not exceed 10 while the respective percentage of units allowing casual leave 'between 11-15 days' and 'over 16 days' was 34 and 16. In the remaining units (*i.e.*, about 13 per cent.), the period of leave was not fixed and leave could be granted for any number of days at the discretion of the management.

4.6.3. *Sick Leave—*

In areas where the Employees' State Insurance Scheme has been implemented, the benefit of sick leave with wages is ordinarily available to the employees covered under the said Scheme. During the course of the present Survey, information regarding sick leave was collected from those units only where the sick leave facility was being granted by the managements, irrespective of the fact whether they were covered under the Employees' State Insurance Scheme or not. It is estimated that in about 13 per cent. of the Footwear factories in the country, workers were enjoying the facility of sick leave with pay (*vide* Statement 4.4). In about 88 per cent. of the units granting sick leave, the benefit was admissible to all categories of workers while in the rest, except 'Production and Related Workers' all other categories were enjoying this facility. About 41 per cent. of the units granting sick leave had not prescribed any condition for eligibility of leave; in about 36 per cent. of units only permanent persons were getting sick leave while in the rest (about 23 per cent.), it was allowed to those who had completed one year's service. As regards payment for the period of leave, 59 per cent. of the units were paying basic pay plus dearness allowance 30 per cent. full daily wages and the rest at the rate of half average pay.

4.6.4. *National and Festival Holidays—*

The practice of granting national and/or festival holidays with pay existed in all the factories covered during the Survey. As regards the number of days

allowed, the practice varied from unit to unit. It was up to 5 days in about 21 per cent. of the factories; '6-10 days' in about 50 per cent. of the factories; '11-15 days' in approximately 23 per cent. of the factories and '16 days and over' in the rest of the factories. About 87 per cent. of the units granting national/festival holidays had not prescribed any condition for eligibility; about 6 per cent. had a condition of one year's service while the remaining factories insisted on attendance on preceding day.

4.7. *Weekly Offs* --

The Survey has revealed that all the Footwear factories in the country were complying with the provisions of the Factories Act, 1948, regarding the grant of a weekly day of rest to the workers. It was, however, observed that except in about 86 per cent. of the small factories in the Residual Group (constituting about 5 per cent. of the factories at the Industry level) where all the workers were piece-rated, the workers were paid full wages for the weekly day of rest in all other factories.

CHAPTER V

WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various committees or commissions appointed in India, from time to time, for enquiring into the conditions of industrial labour, have never failed to pinpoint the urgency and utility of ameliorative measures in order to promote the welfare of workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving such conditions. Besides, facilities provided in compliance to the law, many welfare measures have been undertaken voluntarily by the employers for the benefit of their employees.

During the present Survey, an attempt was made to assess the extent of welfare facilities being enjoyed by workers in the Footwear Industry. Information collected in respect of both obligatory and non-obligatory facilities, is presented in the following paragraphs.

5.1. *Drinking Water Facilities* -

Suitable arrangements for supply of drinking water to the workers were found to be existing in all the units surveyed. Drinking water was generally supplied through taps, earthen pitchers, drums and tube-wells, details of which appear in Statement 5.1.

STATEMENT 5.1
Drinking Water Facilities in the Footwear Industry
(1965-66)

Centre	Total Number of Factories	Estimated Percentage of Factories where Drinking Water Facility Existed	Estimated Percentage of Factories where Water was Supplied through					Estimated Percentage of Factories having arrangements for cooled water during Summer
			Taps only	Tube-wells only	Earthen Pitchers only	Combination of one or more viz. earthen pitchers, drums and water taps, etc.	Taps and Tube-wells	
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	51	100.0	28.7	—	17.8	53.5	—	82.2
(a) Large Factories	1	100.0	100.0	—	—	—	—	100.0
(b) Small Factories	50	100.0	27.3	—	18.2	54.5	—	81.8
2. West Bengal ..	20	100.0	45.5	9.0	—	36.5	9.0	36.5
(a) Large Factories	9	100.0	40.0	20.0	—	20.0	20.0	20.0
(b) Small Factories	11	100.0	50.0	—	—	50.0	—	50.0
3. Residual ..	43	100.0	54.4	—	7.7	37.9	—	87.4
(a) Large Factories	5	100.0	33.4	—	66.6	—	—	100.0
(b) Small Factories	38	100.0	57.1	—	—	42.9	—	85.7
4. All India	111	100.0	41.3	1.6	10.9	44.6	1.6	76.1
(a) Large Factories	15	100.0	41.8	12.0	22.2	12.0	12.0	52.0
(b) Small Factories	99	100.0	41.3	—	9.2	49.5	—	79.8
				31				

The Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines and urinals. The Survey has shown that excepting about 29 per cent. of the factories, the provision of law in this respect had been complied with. The defaulting units were some small factories located in Uttar Pradesh and Residual group. The Factories Act also provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during summer months. It is estimated that of nearly 12 per cent. of the Footwear factories under such an obligation, all provided cooled water in summer months. In addition to these, some units though under no statutory obligation, had also made such arrangements for their workers and thus in the Industry as a whole about 76 per cent. of the factories had made arrangements for cool water. Wherever drinking water was supplied through pitchers, buckets or drums, these were found to be clean.

5.2. *Washing Facilities*—

Section 42 of the Factories Act provides that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory. Information collected shows that nearly three-fourths of the factories had provided this facility. West Bengal was leading in this matter in as much as all the units surveyed were found to have made such arrangements. It was followed by the Residual and Uttar Pradesh Centres where the percentages of factories having similar arrangements were about 75 and 64 respectively.

Washing facilities were generally in the form of taps on stand pipes, constituting about 71 per cent. of the factories while in the remaining about 29 per cent. of the factories water stored in receptacles, troughs with taps or wash basins were provided. Of the factories providing washing facilities, nearly 88 per cent. supplied soap to the workers. The remaining factories supplied soda or a piece of cloth. Such materials were accessible in all the factories having such facilities. None of the factories had provided separate washing facilities for women workers.

5.3. *Bathing Facilities*—

The Factories Act does not contain any specific provision relating to bathing facilities, but it authorises State Governments to make rules requiring certain type of factories to provide such facilities for certain categories of employees.

It is estimated that about 52 per cent. of the Footwear factories in the country had provided bathing facilities for the workers. The proportion of such factories was the highest in Uttar Pradesh (about 64 per cent.) followed by Residual Group (about 50 per cent.) and West Bengal (about 28 per cent.). Separate bath rooms for women workers wherever employed were not provided in any of the units surveyed. Excepting about 8 per cent. of the factories providing bath rooms, these were generally found clean.

5.4. *Canteens*—

The Factories Act, 1948, lays down that the State Governments may make rules requiring that in any specified factory, wherein more than 250 workers are ordinarily employed, an adequate canteen, according to the prescribed standards, should be provided for the use of the workers. It is estimated on the basis of the findings of the Survey that about 12 per cent. of the Footwear factories in the country were under a statutory obligation to provide canteens and all of them had fulfilled their obligation in this regard.

Nearly 59 per cent. of the canteens served tea, coffee, snacks and meals. While the remaining *i.e.*, about 41 per cent., served either one or more of these items. All the factories running canteen were found to have made adequate drinking water arrangements in the canteens. Contract system for running the canteen was prevalent in about 59 per cent. of the factories having canteens. Managements were running about 23 per cent. of the canteens while the remaining (about 18 per cent.) were run jointly by workers and management.

Although Canteen Managing Committees were found to be functioning in about 34 per cent. of the Footwear factories having canteens, they were responsible for fixing prices of articles sold in only about 29 per cent. of the canteens. In nearly 35 per cent. of the cases, managements were fixing the prices of the various items sold in the canteens and in the remaining 36 per cent. fixation of prices had been left to the contractors. Price lists of various articles sold were displayed in only about half of the factories having canteens in the Residual Group (constituting about 13 per cent. of the factories at Industry level.) As regards the rates charged, it was observed that about 42 per cent. of the canteens had fixed the prices of the various items sold on no-profit-no-loss basis and in about 36 per cent. cases, market rates were charged. In the rest *i.e.*, 22 per cent. of the canteens, articles were sold to the workers at subsidised rates.

Of the total estimated number of workers employed in the Footwear factories having canteens, nearly 43 per cent. (comprising about 57, 40 and 42 per cent. in Uttar Pradesh, West Bengal and Residual Group respectively) were estimated to be visiting canteens daily. It was also observed during the Survey that in about 60 per cent. of the factories having canteens in West Bengal (constituting about 41 per cent. at the Industry level), the location, surroundings and hygienic conditions of the canteens were bad.

5.5. *Creches*—

With the passing of the Factories Act in 1948, it became obligatory for all factories employing more than 50 women workers to maintain a creche of a prescribed standard. The question of providing creche facility under law did not arise in the Footwear Industry since in none of the units surveyed, the number of women employed exceeded the statutory limit of 50 and no unit was found to have provided a creche.

5.6. *Lockers*—

Locker facilities for keeping clothings of workers were found to be existing in only an insignificant percentage of Footwear factories of large size surveyed in the Residual Group.

5.7. *Rest Shelters*---

Maintenance of rest shelters is obligatory under the Factories Act for every factory wherein more than 150 workers are ordinarily employed. However, if the factory is maintaining a canteen of the prescribed standard, the provision of a separate rest shelter is not compulsory. It is estimated on the basis of data collected during the Survey that the provision of a rest shelter was obligatory in about 12 per cent. of the Footwear factories, (comprising about 2.45 and 77 per cent. in Uttar Pradesh, West Bengal and Residual Group respectively) out of which nearly one-fifth (comprising all in Uttar Pradesh and about half in Residual Group) had actually provided rest-shelters. The employers of the factories which had not provided rest-shelters generally explained that they had not done so as the workers were not pressing this demand. It was also observed that wherever the rest shelters were provided, the same were in conformity with prescribed standards in as much as they were sufficiently lighted, ventilated, maintained in a tidy condition and furnished with tables, benches, etc. They also provided adequate protection against bad weather and had drinking water facilities.

5.8. *Recreation Facilities*—

On the basis of the information collected during the course of the Survey, it is estimated that arrangements for recreation of workers such as indoor/outdoor games, dramas, film shows, radio etc., existed in only about 4 per cent. of the factories in the country (comprising about 2 per cent. in Uttar Pradesh and about 8 per cent. in Residual Group). Such facilities were, however, not available to the workers in any of the factories surveyed in West Bengal. It was nevertheless observed that in West Bengal, nearly 46 per cent. of the factories were organising some religious functions. In all the factories providing recreational facilities, the cost of such activities was being met by the managements but in all cases these were managed by the workers either directly or through a Committee. The recreational facilities wherever provided were available to all categories of workers. It was significant to note that none of the small factories surveyed provided any recreational facilities.

5.9. *Educational Facilities*—

Only one large factory in Uttar Pradesh was found to be providing educational facilities for workers' children up to primary standard. The school was run exclusively for workers' children who were supplied free slates and '*takkutis*'. No fee was charged from the children. Arrangements for adult education did not exist in any of the units surveyed.

5.10. *Medical Facilities*—

Information regarding medical facilities provided to the workers in the Footwear Industry is discussed below.

5.10.1. *Hospitals and Dispensaries* —

It is estimated that only about 9 per cent. of the Footwear factories in the country (comprising about 11, 9 and 8 per cent. in Uttar Pradesh, West Bengal and Residual Group respectively), most of them being large establishments, had dispensaries and hospitals attached to them. Full time doctors had been

appointed in about 16 per cent. of factories having dispensaries and these were located in the Residual Group while the remaining i.e., about 84 per cent. had part-time doctors. It was observed that in nearly 69 per cent. of the cases, part-time doctors were on duty upto six hours per week. Only in one large factory in Uttar Pradesh (constituting about 11 per cent. at the Industry level), part-time doctors were attending the dispensaries for 30 hours a week. In the remaining factories (i.e., 20 per cent.) the doctors were available between 6 and 12 hours per week. None of the factories surveyed except one small factory in Uttar Pradesh (constituting about 4 per cent. of all the factories at the Industry level) had arrangements with other dispensaries, hospitals or doctors for medical treatment of their workers. Taking this unit also in account, medical facilities can be deemed to be existing in about 13 per cent. of the Footwear factories in the country. Besides their normal duties of attending to the sick workers, the doctors attended to workers' families in the colonies.

The Survey has also revealed that out of the 12 per cent. factories employing contract labour, about 87 per cent. provided medical facilities to contract labour and in 62 per cent. of these units, the facilities available to contract labour were similar to those available to direct labour.

5.10.2. Ambulance Rooms—

Under the Factories Act, 1948, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The Rules framed by the State Governments prescribe the requirements of such rooms. The Survey results show, that of all the units surveyed one large factory in Uttar Pradesh, three in West Bengal and one in Residual Group were under a statutory obligation to provide ambulance rooms. None of the factories in West Bengal had fulfilled their obligation in this regard while the other two factories had provided ambulance rooms. Thus at the Industry level about 2 per cent. of the factories had provided ambulance rooms. The ambulance room in the factory located in Uttar Pradesh was under the charge of a part-time doctor who was available for 30 hours a week while the ambulance room in the Residual Group was looked after by some trained personnel.

5.10.3. First-aid Boxes—

The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes, at the rate of one for every 150 workers ordinarily employed. Such boxes must contain the prescribed items and should be readily accessible to workers during all the working hours. Survey results show that about 98 per cent. of the Footwear factories had provided first-aid boxes. Though it is mandatory that each box should be kept under the charge of a trained first-aid-er, it was found that in about 51 per cent. of the factories (comprising about 45, 90 and 42 per cent. in Uttar Pradesh, West Bengal and Residual Group respectively) having first-aid boxes, there were no trained first-aiders at all. The percentage of defaulting establishments in this respect was the highest in West Bengal (about 90 per cent.), followed by the Uttar Pradesh and Residual Group where the relative percentage was 45 and 42 respectively. In most of the factories (i.e., about 95 per cent.), the contents of the first-aid boxes were in accordance with the prescribed standard and these were easily accessible to the workers during working hours.

In about 98 per cent. of the factories having trained first-aiders, they were found to have received training under the St. John Ambulance, while the rest had received training under the Red Cross.

5.11. *Transport Facilities*—

The workers in the Footwear Industry had not been provided any transport facility. No transport or conveyance allowance was being paid to the workers in any of the units surveyed.

5.12. *Other Amenities*—

Of the factories surveyed, only two large establishments, one in Uttar Pradesh and the other in Residual Group were found running grainshops for the benefit of their employees. In these shops, grains were sold to workers at the rates fixed by Government. It was also observed that one large and one small factory in the Residual Group were having co-operative credit societies for their employees. About 27 per cent. of the factories (comprising about 11, 55 and 33 per cent. of the factories in Uttar Pradesh, West Bengal and Residual Group respectively) had provided protective clothings to their workers.

5.13. *Housing Facilities*—

The present Survey has revealed that, during 1965-66, about 13 per cent. of the Footwear factories in the country had provided housing accommodation to their employees. Centre-wise details are given in Statement 5.2.

STATEMENT 5.2

Estimated Percentage of Factories in the Footwear Industry Providing Houses etc. (1965-66)

Centre	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses Consisting of			Percentage of Factories which		
			One Room	Two Room	Three or more Rooms	Charged no rent at all	Charged rent from all	Charged rent from some employees
1	2	3	4	5	6	7	8	9
1. Uttar Pradesh ..	51	10.9	39.7	59.6	0.7	—	100.0	—
(a) Large Factories	1	100.0	40.9	59.1	—	—	100.0	—
(b) Small Factories	50	9.1	—	75.0	25.0	—	100.0	—
2. West Bengal ..	20	36.5	100.0	—	—	100.0	—	—
(a) Large Factories	9	20.0	100.0	—	—	100.0	—	—
(b) Small Factories	11	50.0	100.0	—	—	100.0	—	—
3. Residual ..	43	3.9	—	—	100.0	100.0	—	—
(a) Large Factories	5	33.4	—	—	100.0	100.0	—	—
(b) Small Factories	38	—	—	—	—	—	—	—
4. All-India ..	114	12.7	41.5	50.0	8.5	61.8	38.2	—
(a) Large Factories	15	29.8	41.1	50.6	8.3	77.6	22.4	—
(b) Small Factories	99	10.2	49.3	38.0	12.7	54.7	45.3	—

It would be seen from Statement 5·2 that about 42 per cent. of the houses consisted of one-room tenements, 50 per cent. two-room tenements and the rest (about 8 per cent.) had three or more rooms. It is significant to note that in West Bengal all the houses provided were one-room tenements while in the Residual Group all the houses were having three or more rooms. In Uttar Pradesh the majority of houses were two-room tenements. All the houses were *pucca* built. Of the factories providing housing facilities, about 38 per cent. charged rent from all the employees to whom housing accommodation had been provided while the remaining (about 62 per cent.) did not charge any rent at all.

It has been estimated on the basis of the results of the Survey, that out of 24,589 workers employed in the Footwear Industry as on 31st March, 1965, only about 3 per cent. had been provided houses by the employers. As amongst the different centres Uttar Pradesh was leading where the percentage of workers allotted houses was approximately 14. Details appear in Statement 5·3.

STATEMENT 5·3

Estimated Percentage of Workers Allotted Houses in the Footwear Industry (1965-66)

Centre				Number of Factories	Number of Workers* Employed	Percentage of Workers Allotted Houses
1				2	3	4
1.	Uttar Pradesh	..	..	51	4,408	13·7
	(a) Large Factories	..	..	1	2,810	20·8
	(b) Small Factories	..	..	50	1,598	1·1
2.	West Bengal	..	..	20	16,812	0·4
	(a) Large Factories	..	..	9	16,326	0·3
	(b) Small Factories	..	..	11	486	3·3
3.	Residual	..	..	43	3,369	1·7
	(a) Large Factories	..	..	5	2,275	2·5
	(b) Small Factories	..	..	38	1,094	—
4.	All-India	..	..	114	24,589	2·9
	(a) Large Factories	..	..	15	21,411	3·2
	(b) Small Factories	..	..	99	3,178	1·0

*Covered under the Factories Act, 1948.

The Survey has further revealed that, in none of the factories, workers were given any facility for building their own houses.

CHAPTER VI

SOCIAL SECURITY

Prior to the attainment of Independence, factory workers in the country enjoyed social security only to a limited extent which was mainly in the shape of compensation for industrial accidents under the Workmen's Compensation Act, 1923. Women workers, in addition, were entitled to maternity benefits under State laws. However, after Independence there has been a considerable enlargement of the scope and content of social security benefits largely as a result of adoption of such statutory measures as the Employees' State Insurance Act and the Employees' Provident Fund Acts. The following paragraphs describe the position in the Footwear Industry as revealed by the Survey.

6.1. *Provident Fund Schemes* –

The Survey results show that provident fund schemes were in existence in about 61 per cent. of Footwear factories in the country. Of the above, in nearly three-fourths of the factories, the provident funds had been set up under the Employees' Provident Funds Scheme framed by the Government of India in 1952 and consequently, the rate of contribution, conditions of eligibility, etc., were the same as laid down in the scheme. The remaining factories were having either some other scheme or a combination of some other scheme and the Employees Provident Funds Scheme.

As regards different centres, it is noteworthy that in West Bengal, all the factories surveyed were having the Employees' Provident Funds Scheme. In Uttar Pradesh and Residual Group, the percentage of factories having Employees' Provident Funds Scheme was about 84 and 47 respectively.

An estimated number of 13.5 thousand workers in the Footwear Industry i.e., about 55 per cent. of the total, were members of provident fund schemes as on 31st March, 1965. Details in respect of Provident Fund Schemes, membership etc., outlining the situation existing at the time of the Survey would be clear from Statement 6.1.

STATEMENT 6.1

*Estimated Percentage of Footwear Factories having Provident Fund Schemes, etc.
(31st March, 1965)*

Centre	Number of Factories	Percentage of Factories having Provident Fund Schemes	Percentage (of Col. 3) of Factories having			Total Number of Workers* Employed as on 31.3.65	Percentage of Workers who were Members of Provident Fund Schemes (of Col.7)
			Employees' Provident Fund Schemes	Employees' Provident Fund as well as Other Schemes	Other Schemes		
1. Uttar Pradesh ..	51	55.4	83.9	—	16.1	4,408	56.9
(a) Large Factories ..	1	100.0	100.0	—	—	2,810	81.7
(b) Small Factories ..	50	54.5	83.4	—	16.6	1,598	13.2
2. West Bengal ..	20	72.5	100.0	—	—	16,812	51.9
(a) Large Factories ..	9	100.0	100.0	—	—	16,326	52.2
(b) Small Factories ..	11	50.0	100.0	—	—	486	42.8
3. Residual ..	43	62.1	46.9	26.6	26.5	3,369	65.9
(a) Large Factories ..	5	100.0	33.4	33.4	33.2	2,275	81.7
(b) Small Factories ..	38	57.1	50.0	25.0	25.0	1,094	33.1
4. All-India ..	114	61.0	73.0	10.2	16.8	24,589	54.7
(a) Large Factories ..	15	100.0	77.8	11.1	11.1	21,411	59.2
(b) Small Factories ..	99	55.0	71.7	10.0	18.3	3,178	24.5

*Covered under the Factories Act, 1948.

6.2. Pension Schemes--

It is estimated on the basis of the data collected during the Survey that about 10 per cent. of the Footwear factories in the country (constituting about 11 per cent. of large and 10 per cent. of small factories) were having pension schemes for their employees. The schemes were in vogue in about 9 per cent. of the factories in Uttar Pradesh and about 17 per cent. of the factories in the Residual Group. All the pension schemes were regular and in addition to the Provident Fund Schemes. It is significant to note that in none of the units surveyed in West Bengal, there was any pension scheme for the workers. In the Residual Group, one of the units was a public sector undertaking and as such the pension was being paid in accordance with the Madras Government Liberalised Pension Rules to all the employees. In other factories, it was observed that generally, the condition of eligibility was a minimum of 10 years' service or permanency but the rates of payment of pension varied from unit to unit. The categories of persons covered under the pension schemes included clerical, managerial and technical workers. There was no pension scheme for contract workers in the Footwear Industry.

6.3. *Gratuity Schemes—*

In the Footwear Industry, the system of paying gratuity was prevalent only to a limited extent, the all-India percentage of factories paying gratuity to their employees being only about 15. The proportion of large factories paying gratuity was found to be higher than that of small ones. As among the different Centres, the Residual Group was on the top, because as many as about 37 per cent. of the units were having gratuity schemes. In Uttar Pradesh, the percentage of such factories was nearly 2 while in West Bengal, none of the units surveyed were found to be paying gratuity to their employees.

Gratuity was payable to workers or their dependants in the case of death and retirement in all the units where the scheme was in vogue. In addition, half the units of those having gratuity schemes in the Residual Group were found to be paying gratuity in the event of voluntary resignation also. In all the units paying gratuity, the scheme was regular. In 68 per cent. of the factories paying gratuity, all the workers were entitled to gratuity benefits while in the remaining about 32 per cent. of the units having gratuity schemes (all in Residual Group), the scheme was confined to administrative, clerical and technical workers only. The rate of payment and the period of qualifying service was found to be differing from unit to unit. Generally the period of qualifying service varied from 3 to 15 years and the rate of payment from $7\frac{1}{2}$ days to one month's wages for each completed year of service. In one of the public sector units surveyed, the Madras Government Rules were applicable.

On the basis of the data collected during the Survey, it has been estimated that in all 61 persons in the Industry received gratuity during the year ended 1964. Significantly, all these workers belonged to one large unit surveyed in Uttar Pradesh. There was no gratuity scheme for contract workers.

6.4. *Maternity Benefits —*

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities etc., to women employed in factories, exists in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been put into force, the employers are absolved of their liability under the concerned Maternity Benefit Act.

Information collected during the course of Survey shows that not a single maternity claim had been made or accepted for payment by the employers in any of the units surveyed during 1964. This was, perhaps, so because the number of women employed in the Industry was negligible.

6.5. *Industrial Accidents—*

The Workmen's Compensation Act, 1923 and the Employees' State Insurance Act, 1948, provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment.

During the present Survey, information in respect of number and nature of industrial accidents was collected from all the sampled factories whether covered or not under the Employees' State Insurance Scheme. The Survey has revealed that accidents were reported in about 20 per cent. of the factories, comprising about 77 per cent. of the large and 11 per cent. of the small factories. On the whole, an estimated number of 480 workers in the Footwear Industry were involved in accidents during 1964. Perhaps a better picture can be had when the number of workers involved in accidents *viz-a-viz* the number of workers employed is taken into account. The rate of accidents per thousand workers, based on the estimate of average number employed during the year 1964 as also distribution of workers involved by nature of accidents, are given in Statement 6.2.

STATEMENT 6.2

Estimated Distribution of Workers Involved in Accidents by nature of Accidents in the Footwear Industry

(1964)

Centre	Number of Factories	Percentage of Factories where Accidents were reported	Average Number of Workers Employed in 1964	Number of Workers Involved in Accidents per 1,000 Workers Employed Resulting in			
				Death	Permanent Disability	Temporary Disability	Total
1	2	3	4	5	6	7	8
1. Uttar Pradesh ..	51	2.0	3,983	—	—	32.9	32.9
(a) Large Factories ..	1	100.0	2,751	—	—	47.6	47.6
(b) Small Factories ..	50	—	1,232	—	—	—	—
2. West Bengal ..	20	63.5	13,965	—	—	21.1	21.1
(a) Large Factories ..	9	80.0	13,424	—	—	21.2	21.2
(b) Small Factories ..	11	50.0	511	—	—	20.3	20.3
3. Residual ..	43	20.4	2,953	—	—	18.3	18.3
(a) Large Factories ..	5	66.6	2,149	—	—	20.0	20.0
(b) Small Factories ..	38	11.3	804	—	—	13.7	13.7
4. All-India ..	114	19.7	20,901	—	—	23.0	23.0
(a) Large Factories ..	15	76.9	18,324	—	—	25.0	25.0
(b) Small Factories ..	99	11.0	2,577	—	—	8.5	8.5

It will be seen from Statement 6.2 that the rate of accidents in the Industry as a whole, is estimated at 23 per thousand workers employed. This rate was the highest in the large size factories in Uttar Pradesh. It is significant to note that in all the factories surveyed, not a single accident resulting in permanent disability or death was reported.

6.6. Occupational Diseases—

None of the units surveyed reported any occupational disease afflicting their workers.

CHAPTER VII

INDUSTRIAL RELATIONS

During the post-war years, particularly after Independence, considerable thought and action have been devoted to matters pertaining to the improvement of labour-management relations in India. Various legislative measures, notably the Industrial Disputes Act, 1947, have gone a long way in improving industrial relations in the country. During the present Survey, attention was focussed on some important aspects of industrial relations in the Footwear Industry and the findings appear in the following paragraphs.

7.1. *Industrial Disputes*:-

Data pertaining to industrial disputes in the Footwear Industry were not collected during the present Survey, since the same were already being received in the Labour Bureau. Such information in respect of the number of industrial disputes, number of workers involved and man-days lost has been given in Statement 7.1.

STATEMENT 7.1

*Number of Disputes Resulting in Work Stoppages, Workers Involved and
Man-days lost in the Footwear Industry
(From 1959 to 1965)*

Year					Number of Disputes*	Number of Workers Involved	Number of Man-days Lost
1					2	3	
1959	..	..	..	..	1	500	1,500
1960	..	..	..	..	5	1,360	51,940
1961	..	..	..	..	1	40	1,912
1962	..	..	..	..	8	635	2,429
1963	..	..	..	..	7	683	5,810
1964	..	..	..	..	1	51	2,091
1965	..	..	..	..	Nil	Nil	Nil.

Source—“The Indian Labour Year Book” for the years 1959, 1961, 1963 and 1965.

*These include both ‘strikes’ and ‘lock-outs’.

Note—Information regarding Footwear repair factories is not available.

It will be seen from Statement (7.1) that excepting 1960 and 1963, there were more or less peaceful conditions in the Industry and the number of strikes and lockouts was not significant. However, in 1960, it was observed that 1,360 workers were involved in a lock-out declared by a factory in West Bengal resulting in a loss of 51,940 man-days. In 1963 also, a considerable number of workers seems to have been involved in industrial disputes resulting in a loss of 5,810 man-days. The reason for the same was, that in 1963, there was a major strike in a factory in Bombay which accounted for a loss of 3,212 man-days. It was to press the demand for increased wages, dearness allowance, leave facilities etc.

7.2. Trade Unionism—

Trade unionism, it seems had not developed to a significant extent in the Footwear Industry since in only about 13 per cent. of the factories surveyed, workers had organised themselves in to trade unions. Data collected further show that the development was uneven in different Centres as well as among the large and small size factories. In West Bengal, in 27 per cent. of factories, the workers were members of trade unions while the relative figure for the Residual Group and Uttar Pradesh was 20 and 2 respectively. As between large and small factories, the former accounted for about 65 per cent. while in the case of latter, the percentage of factories where workers were members of trade unions was hardly 6. Details are given in Statement 7.2.

STATEMENT 7.2

*Estimated Percentage of Footwear Factories where Workers were Members of Trade Unions, etc.
1965-66)*

Centre	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Number of Workers* as on 31st March, 1965	Percentage of workers who were Members of Trade Unions	Percentage of Factories where Trade Unions (Some or all) were Recognised
1	2	3	4	5	6
1. Uttar Pradesh ..	51	2.0	4,408	63.8	—
(a) Large Factories..	1	100.0	2,810	100.0	—
(b) Small Factories ..	50	—	1,598	—	—
2. West Bengal ..	20	2.70	16,812	33.4	100.0
(a) Large Factories..	9	60.0	16,326	33.4	100.0
(b) Small Factories..	11	—	486	—	—
3. Residual ..	43	20.4	3,369	34.5	100.0
(a) Large Factories..	5	66.6	2,275	45.9	100.0
(b) Small Factories ..	38	14.3	1,094	10.6	100.0
4. All-India ..	111	13.3	24,589	39.0	73.4
(a) Large Factories..	15	64.9	21,411	44.3	60.9
(b) Small Factories ..	99	5.5	3,178	3.7	100.0

*Covered under the Factories Act, 1948.

Statement 7.2 reveals some interesting study. While all the Footwear factories surveyed in West Bengal and Residual Group had granted recognition to the trade unions, not a single factory had done so in Uttar Pradesh. It is all the more significant to note that it was in Uttar Pradesh that the maximum multiplicity of trade unions was evidenced in as much as nine unions were found to be functioning in one of the large factories surveyed. In this particular case it was also noticed that there was overlapping membership to such a great extent that almost every worker appeared to be a member of more than one union. In Uttar Pradesh, West Bengal and the Residual Group, the respective percentage of workers who were members of unions was about 64, 33 and 35. Thus at the Industry level, about 39 per cent. of the workers were found to be members of the unions.

The Survey results also show that there was no factory where an un-registered union was functioning. In all the factories, the unions were registered under the Indian Trade Unions Act, 1926. As regards the activities of the trade unions in the Foot-wear Industry, it was observed that the most

important activity was securing of claims of their members under the various Labour Acts; all the unions were found to be doing this. The unions in Uttar Pradesh, in addition to this, were found to be engaged in providing relief to distressed workers as well as some welfare and recreational facilities. In the Residual Group, one of the units was found to be providing recreational facilities for its members but in West Bengal the entire attention of the unions was confined to securing relief under Labour Acts.

7.3. *Collective Agreements—*

In the course of the Survey, information was collected in respect of collective agreements concluded in the sampled factories since 1956. It was found that about 9 per cent. of the Footwear factories in the country (comprising about 9 and 20 per cent. of the factories in West Bengal and Residual Group respectively) had concluded collective agreements since 1956. Such agreements had been concluded more among large factories than small ones.

It is note worthy that in Uttar Pradesh, not a single collective agreement was found to have been concluded during 1956-1965. In the remaining two centres *viz.*, Residual Group and West Bengal, about one-fifth of the factories in the former had concluded collective agreements while in the latter only one large size factory had done so. In Residual Group, the agreements covered a wide range of issues like dearness allowance, revision of wages, bonus, gratuity, retirement age, introduction of Employees' State Insurance Scheme, sick leave, tool allowance *etc.* In West Bengal, settlements arrived at related to grant of *ex-gratia* payments to the workers and setting up of a grievance committee with due representation to workers.

7.4. *Standing Orders—*

With the enactment of Industrial Employment (Standing Orders) Act, 1946 it has become obligatory for all factories employing 100 or more workers to frame Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment, redress of grievances *etc.*

It is estimated that about 22 per cent. of the Footwear factories in the country (comprising about 11, 45 and 24 per cent. of the factories in Uttar Pradesh, West Bengal and Residual Group respectively) were under a statutory obligation to frame Standing Orders, out of which nearly four-fifths had complied with the provisions of law. Besides, a few small factories in Residual Group though not under a statutory obligation to frame Standing Orders had also framed them. As such, at the Industry level, about 22 per cent. of the factories were found to have framed Standing Orders. In all cases, except one (where it was under the Saurashtra Industrial Act), the Standing Orders had been framed under the Industrial Employment (Standing Orders) Act, 1946. In nearly two-thirds of the factories having Standing Orders, these were duly certified by the certifying authority. In most of the cases, the Standing Orders

covered more than one category of workers i.e., a combination of 'Production and Related Workers,' 'Clerical and Related Workers' and 'Watch and Ward and Other Services' categories. Details appear in Statement 7-3.

STATEMENT 7-3

Estimated Percentage of Footwear Factories where Standing Orders were Framed etc.

(1965-66)

Centre	Number of Factories	Percentage of Factories which had Framed Standing Orders	Percentage of Factories under Statutory Obligation to frame Standing Orders	Percentage of Factories where Standing Orders were framed (of column 4)	Percentage of Factories where Standing Orders were certified
1	2	3	4	5	6
1. Uttar Pradesh ..	51	10.9	10.9	100.0	100.0
(a) Large Factories..	1	100.0	100.0	100.0	100.0
(b) Small Factories	50	9.1	9.1	100.0	100.0
2. West Bengal ..	20	27.0	45.0	60.0	100.0
(a) Large Factories	9	60.0	100.0	60.0	100.0
(b) Small Factories	11	—	—	—	—
3. Residual	43	33.0	24.3	84.0	61.7
(a) Large Factories	5	66.6	100.0	66.6	100.0
(b) Small Factories	38	28.6	14.3	100.0	50.0
4. All-India	114	22.1	21.9	78.9	61.3
(a) Large Factories	15	64.9	100.0	64.9	100.0
(b) Small Factories	99	15.6	10.1	100.0	41.7

7.5. Labour and Welfare Officers—

With a view to enabling employers to have better arrangements for personnel management and to help them in ensuring proper implementation of labour laws, specific provision has been made in the Factories Act, requiring all factories employing 500 or more workers to appoint a Welfare Officer. The rules framed by the State Governments under the Act prescribe the functions and duties of these officers. Since most of the Footwear factories covered during the Survey were not of very big size, it is not surprising that at the Industry level only about 7 per cent. of the factories (comprising about 2, 27 and 4 per cent. of the factories in Uttar Pradesh, West Bengal and Residual Group respectively) were under such a legal obligation. Of these factories,

all in Uttar Pradesh as well as in the Residual Group had complied with the provisions of law while in West Bengal only one-third of the factories had appointed Welfare Officers. It was also observed that one of the large factories surveyed in the Residual Group, though not under a statutory obligation to appoint a Welfare Officer had done so. Thus, at the industry level about 5 per cent. of the Footwear factories were found to have appointed these officers. The functions of the Welfare Officers were generally the same as prescribed under the Factories Act, 1948. In all the factories where Welfare Officers had been appointed they appeared before the Industrial Tribunals *etc.*, on behalf of managements in cases of Industrial disputes.

7.6. *Works/Joint Committees.—*

With a view to providing a forum at the unit level for elimination of sources of friction through mutual discussion and consultation between the managements and their employees, the Industrial Disputes Act, 1947 empowers the appropriate Government to prescribe that Works Committee should be constituted in every industrial establishment employing 100 or more workers.

The results of the present Survey have shown that about 22 per cent. of the Footwear factories in the country (comprising about 11, 45 and 24 per cent. of the factories in Uttar Pradesh, West Bengal and Residual Group respectively) were under a legal obligation to set up Works Committees. It is, however, disappointing to observe that hardly 7 per cent. of these (comprising only about 16 per cent. of the factories in Residual Group) had actually done so. None of the factories under obligation in Uttar Pradesh and West Bengal had set up Works Committees. The reason for this, as per the version of the managements was the existence of some other forums like the Production Committee, Welfare Committee, or Safety Committee through which the desired objectives of the Works Committees were being achieved. In some of the factories, either the workers were not keen to form such committees or the managements were not fully aware of the legal requirements in this respect. It was also noted that in a few factories Works Committees were in the process of formation. At the time of the Survey nearly 1.5 per cent. of the Footwear factories in the country had constituted Works/Joint Committees. It was also observed that in all cases where Works Committees were there, the employees and the employers were having equal representation. The number of meetings held during the year ended 31-3-1965 was 8 and the records of the meetings indicate that in most of the meetings, individual cases were discussed. These included payments of compensation due to sickness, reinstatement, re-employment and earned leave *etc.*, and the decisions taken were generally implemented.

7.7. *Production and Other Committees.—*

Production Committee for devising ways and means of increasing production existed in only one large factory surveyed in Uttar Pradesh. In this unit, a Safety Committee had also been constituted for devising measures for minimising accidents. This consisted of Departmental Heads and Engineers.

7·8. *Grievance Procedure—*

As stated earlier in this Chapter, about 22 per cent. of the Footwear factories in the country were under a legal obligation to frame Standing Orders and of these about four-fifths had actually done so. Besides, a few small factories in Residual Group, though not under statutory obligation to frame Standing Orders had also framed them. As such, at the Industry level about 22 per cent. of the factories were found to have framed Standing Orders and thus all such factories had a prescribed grievance procedure. Generally, the employees got redressal of their grievances by approaching the management directly or through the trade unions or Welfare Officers. Where there was no prescribed procedure, the workers were found to be approaching the management for redressal of their grievances.

7·9. *Association of Workers with the Management—*

The present Survey shows that none of the Footwear factories in the country had introduced any scheme for associating workers with the management.

CHAPTER VIII

LABOUR COST

Information pertaining to labour cost was collected from sampled establishments during the course of the present Survey, in respect of the employees covered under the Factories Act, 1948 and receiving less than Rs. 400·00 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Costs in the European Industry, made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that, in India, wages are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry, that except for a very few establishments, separate records of premium payments made for leave and holidays, or for days not worked, were not maintained and hence these were dropped as separate items and recorded under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country *e.g.*, lay-off washing facilities, retrenchment compensation etc.

As mentioned earlier, the Survey was launched in April, 1965 and completed in February, 1966. With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible for the calendar year 1964. If, however, it was not feasible to collect information for the calendar year 1964, then the field staff were asked to collect the data for the financial year of the establishment. The available data show that it was possible to collect information from most of the sampled establishments for the year 1964 and the data presented in the following paragraphs may, therefore, be taken to refer to that year.

It may also be mentioned here that with a view to forming a better estimate of labour cost, salaries and allowances etc. as well as the man-days worked

in respect of those persons who were employed in connection with any welfare item, amenity etc., even though they were covered under the Factories Act and were receiving less than Rs. 400 per month, were not included in the general heads "Wages", "Bonuses" and "Other Cash Payments" along with the similar amounts paid to workers who came within the scope of the Study. Expenses incurred in connection with such persons were recorded against the items for which they were employed.

8.1. *Labour Cost Per Man-day Worked—*

On the basis of the data collected during the Survey in respect of the wages and other earnings of workers, and the expenditure incurred by the employers on various welfare and security measures, subsidy, services, etc., along with the total number of man-days worked, the average labour cost per man-days has been worked out and is given in Statement 8.1.

STATEMENT 8.1

Estimated Labour Cost Per Man-day Worked in the Footwear Industry (1964)

(In Rupees)

Centre				Large Factories	Small Factories	Overall
				3		
1. Uttar Pradesh	..	..	..	8.54	5.85	7.65
2. West Bengal	..	..	..	5.08	3.90	5.03
3. Residual	..	..	..	6.45	5.98	6.31
4. All India	..	..	..	5.79	5.51	5.75

The overall labour cost per man-day in the Footwear Industry was estimated at Rs. 5.75. As Statement 8.1 shows, the burden of the cost was the highest in Uttar Pradesh (Rs. 7.65) and the lowest in West Bengal (Rs. 5.03). As between the large and small factories in the different centres, it was observed that the former seemed to incur higher expenses per man-day than the latter.

8.2. *Components of Labour Cost—*

The analysis of the labour cost shows that its main component was wages, which accounted for nearly 87 per cent. of the total labour cost per man-day

worked. Details of the various components of labour cost per man-day worked are presented in Statement 8.2.

STATEMENT 8.2

Estimated Labour Cost per Man-day Worked by Main Components in the Footwear Industry (1961)

(In Rupees)

Centre	Wages (a)	Premium Pay for Overtime and Late Shifts (b)	Bonuses	Other Cash Payments (c)	Payments in kind
1	2	3	4	5	6
1. Uttar Pradesh ..	6.41 (83.179)	0.01 (0.13)	0.48 (6.27)	—	—
(a) Large Factories	6.75 (79.04)	0.01 (0.12)	0.72 (8.43)	—	—
(b) Small Factories	5.70 (97.44)	—	—	—	—
2. West Bengal ..	4.54 (90.26)	—	0.09 (1.79)	0.02 (0.40)	0.01 (0.20)
(a) Large Factories	4.59 (90.35)	—	0.09 (1.77)	0.02 (0.39)	0.01 (0.20)
(b) Small Factories	3.49 (89.49)	—	0.11 (2.82)	—	—
3. Residual	4.87 (77.18)	0.07 (1.11)	0.41 (6.50)	0.03 (0.48)	0.20 (2.17)
(a) Large Factories	4.80 (74.42)	0.09 (1.39)	0.53 (8.22)	*	0.12 (1.86)
(b) Small Factories	5.02 (83.95)	—	0.11 (1.34)	0.10 (1.67)	0.39 (6.52)
4. All India	4.98 (86.61)	0.01 (0.17)	0.21 (3.65)	0.02 (0.35)	0.03 (0.52)
(a) Large Factories	4.96 (85.66)	0.01 (0.17)	0.24 (4.14)	0.02 (0.35)	0.02 (0.35)
(b) Small Factories	5.06 (91.83)	—	0.06 (1.09)	0.03 (0.54)	0.12 (2.18)

* Less than Rs. 0.005.

NOTE—Figures within brackets are percentage to total.

(a) Includes basic wage, dearness allowance, incentive bonus and attendance bonus.

(b) Includes extra payment for working on holidays.

(c) Includes house rent allowance, travelling allowance etc. and other ex-gratia payments

STATEMENT 8.2—*contd.*

(In Rupees)

Centro	Social Security Contributions		Subsidies	Direct Benefits	Some Other Payments related to Labour Cost	Others	Total
	Obligatory	Non-Obligatory					
			(d)	(e)	(f)	(g)	
1	7	8	9	10	11	12	13
1. Uttar Pradesh ..	0.40 (5.23)	0.10 (1.31)	0.22 (2.88)	—	0.01 (0.13)	0.02 (0.26)	7.65 (100.00)
(a) Large Factories	0.54 (6.32)	0.16 (1.87)	0.32 (3.75)	—	0.01 (0.12)	0.03 (0.35)	8.54 (100.00)
(b) Small Factories	0.12 (2.05)	—	0.03 (0.51)	—	*	*	5.85 (100.00)
2. West Bengal ..	0.32 (6.36)	—	0.04 (0.79)	—	*	0.01 (0.20)	5.03 (100.00)
(a) Large Factories	0.32 (6.30)	—	0.04 (0.79)	—	*	0.01 (0.20)	5.03 (100.00)
(b) Small Factories	0.23 (5.90)	—	0.07 (1.79)	—	*	—	3.90 (100.00)
3. Residual	0.43 (6.81)	—	0.18 (2.85)	—	0.05 (0.79)	0.07 (1.11)	6.31 (100.00)
(a) Large Factories	0.55 (8.53)	—	0.22 (3.41)	—	0.03 (0.46)	0.11 (1.71)	6.45 (100.00)
(b) Small Factories	0.18 (3.01)	—	0.07 (1.17)	—	0.10 (1.67)	*	5.98† (100.00)
4. All-India	0.35 (6.09)	0.02 (0.35)	0.10 (1.74)	—	0.01 (0.17)	0.02 (0.35)	5.75 (100.00)
(a) Large Factories	0.38 (6.56)	0.03 (0.52)	0.10 (1.73)	—	0.01 (0.17)	0.02 (0.35)	5.79 (100.00)
(b) Small Factories	0.16 (2.90)	—	0.05 (0.91)	—	0.03 (0.55)	*	5.51 (100.00)

†The components do not add up to the total due to the fact that amounts less than Re. 0.005 have been omitted.

(d) Includes expenditure on medical and health care, canteens, company housing, creches, educational and recreation services, etc.

(e) Includes direct payments made by the employer to the beneficiary on occasions like birth, death, marriage, etc.

(f) Includes expenditure on recruitment, vocational training, apprenticeship, on-the-job medical services, etc.

(g) Includes expenditure on miscellaneous payments like supply of protective equipment to workers pay of Labour/Welfare Officers etc.

The various components of labour cost are briefly discussed in the following paragraphs.

8.2.1. Wages—

This component comprised basic wages, dearness allowance, incentive or production bonus and attendance bonus. Since most of the establishments did not maintain separate records of payments made for the days actually worked and for leave and holidays periods, the amount of 'wages' includes sums paid for the days worked as well as for the days not worked but paid.

As already mentioned, wages alone accounted for about 87 per cent. (Statement 8.2) of the total labour cost in the Industry. This percentage was as high as 90 in West Bengal while the relative figures for Uttar Pradesh and the Residual Groups were 84 and 77 respectively. Further break-up of 'wages' into various sub-groups *viz.*, basic wages and dearness allowance and incentive or production bonus is given in Statement 8.3.

STATEMENT 8.3

Break-up of 'Wage Cost' by Sub-Components in the Footwear Industry (1964)

(In Rupees)

Centre		Basic Wages and Dearness Allowance	Incentive/ Production Bonus	Attendance Bonus	Total
1		2	3	4	5
1. Uttar Pradesh ..	..	6.41 (100.00)	—	—	6.41 (100.00)
(a) Large Factories ..	..	6.75 (100.00)	—	—	6.75 (100.00)
(b) Small Factories ..	..	5.70 (100.00)	—	—	5.70 (100.00)
2. West Bengal ..	..	4.16 (91.63)	0.38 (8.37)	—	4.54 (100.00)
(a) Large Factories ..	..	4.19 (91.29)	0.40 (8.71)	—	4.59 (100.00)
(b) Small Factories ..	..	3.49 (100.00)	—	—	3.49 (100.00)
3. Residual ..	..	4.87 (100.00)	—	—	4.87 (100.00)
(a) Large Factories ..	..	4.80 (100.00)	—	—	4.80 (100.00)
(b) Small Factories ..	..	5.02 (100.00)	—	—	5.02 (100.00)
4. All-India —	—	4.73 (94.98)	0.25 (5.02)	—	4.98 (100.00)
(a) Large Factories ..	..	4.67 (94.15)	0.29 (5.85)	—	4.96 (100.00)
(b) Small Factories ..	..	5.06 (100.00)	—	—	5.06 (100.00)

N.B.—Figures in brackets are percentages.

It is evident from Statement 8.3 that, virtually, the entire 'Wage Cost' consisted of basic wages and dearness allowance or of consolidated wages where dearness allowance was not being paid separately. Cost on account of incentive or production bonus was being incurred by a few large factories in West Bengal, where it constituted about 8 per cent. of the total labour cost. Attendance bonus was not being paid in any of the units surveyed.

8.2.2. *Premium Pay for Overtime and Late Shifts—*

Under this group, the premium part of the pay for over-time, late shifts and work on holidays was recorded. This was represented by an amount received by the workers in addition to their normal pay. For example, if workers were paid one and a half times their normal rates of wages for overtime work, the extra amount paid to them, i.e., one half, was recorded against this item.

From the figures given in Statement 8.2, it would be seen that the cost on account of this item was not much and formed a very small proportion of the total labour cost. Its proportion was comparatively higher in the Residual Group than in Uttar Pradesh. In West Bengal, none of the units were found to be paying any Premium Pay for Overtime and Late Shifts.

8.2.3. *Bonuses*

Under this group, data were recorded in respect of payments made in the shape of festival bonus, year-end bonus, profit-sharing bonus and other types of bonuses paid each year to the employees. It would be seen from Statement 8.2 that payments made on account of these bonuses accounted for nearly 4 per cent. of the Labour cost at the industry level. As regards different centres, Residual Group was topping with about 7 per cent. followed by Uttar Pradesh and West Bengal, where the relative percentages were 6 and 2 respectively. Further break-up of the bonus payments shows that about 48 per cent. of the total cost on account of this item was in respect of Profit-sharing Bonus, while the relative figures for Year-end Bonus and other Bonuses were 33 and 19 respectively.

8.2.4. *Other Payments in Cash and Kind*

The main items to which other cash payments related were house-rent allowance, conveyance allowance, tool allowance, water allowance and other *ex-gratia* payments. The combined cost on account of all these payments is estimated at Re. 0.02 per man-day worked.

Payments in kind related to items such as distribution of sweets on certain occasions etc., in certain units in West Bengal and Residual Group. The cost per man-day on account of this item was Re. 0.03.

8.2.5. *Social Security Contributions—*

Information in respect of this component of labour cost was collected under two heads; (a) obligatory, i.e., those expenses which the employers were required to incur in compliance with certain labour laws, and (b) non-obligatory, i.e., those expenses relating to social security which the employers were incurring

on a voluntary basis. Non-obligatory social security contributions were found to have been incurred by certain large size factories in Uttar Pradesh. The combined cost on account of this component is estimated at Re. 0.02 per man-day or about 6 per cent. of the total labour cost.

The estimated cost on account of various items comprising obligatory social security contributions, is given in Statement 8.4.

STATEMENT 8.4

Estimated Cost of Social Security Contributions per Man-day Worked in the Footwear Industry

(1964)

(In Rupees)

Centre	Obligatory					
	Provident Fund	Retrenchment Compensation	Compensation for lay-off	Employees State Insurance Contribution	Compensation for	
					Employment Injury	Occupational Diseases
1	2	3	4	5	6	7
1. Uttar Pradesh ..	0.21 (52.50)	0.06 (15.00)	0.01 (2.50)	0.12 (30.00)	—	—
(a) Large Factories	0.27 (50.00)	0.09 (16.67)	0.01 (1.85)	0.17 (31.48)	—	—
(b) Small Factories	0.10 (83.33)	—	—	0.02 (16.67)	—	—
2. West Bengal ..	0.21 (65.62)	—	0.01 (3.12)	0.07 (21.88)	0.02 (6.25)	—
(a) Large Factories	0.22 (68.75)	—	0.01 (3.12)	0.07 (21.88)	0.02 (6.25)	—
(b) Small Factories	0.13 (56.52)	—	—	0.10 (43.48)	—	—
3. Residual	0.29 (67.44)	—	0.02 (4.65)	0.12 (27.91)	*	—
(a) Large Factories	0.37 (67.27)	—	0.03 (5.46)	0.15 (27.27)	*	—
(b) Small Factories	0.12 (66.67)	—	—	0.06 (33.33)	—	—
4. All-India	0.22 (62.86)	0.01 (2.86)	0.01 (2.86)	0.09 (25.71)	0.02 (5.71)	—
(a) Large Factories	0.24 (63.16)	0.01 (2.63)	0.01 (2.63)	0.10 (86.32)	0.02 (5.26)	—
(b) Small Factories	0.11 (68.75)	—	—	0.05 (31.25)	—	—

STATEMENT 8.4—*contd.*

(In Rupees)

Centre	Obligatory				Non-Obligatory	Total for Obligatory and Non-obligatory Contributions	Percentage of Social Security Contributions to the Total Labour Cost
	Maternity Benefit	Other Social Programmes	Gratuity	Total			
1	8	9	10	11	12	13	14
1. Uttar Pradesh ..	—	—	.	0.40 (100.00)	0.10	0.50	6.54
(a) Large Factories	—	—	.	0.54 (100.00)	0.16	0.70	8.19
(b) Small Factories	—	—	.	0.12 (100.00)	—	0.12	2.05
2. West Bengal ..	—	—	.	0.32† (100.00)	—	0.32	6.36
(a) Large Factories	—	—	.	0.32 (100.00)	—	0.32	6.30
(b) Small Factories	—	—	.	0.23 (100.00)	—	0.23	5.90
3. Residual	—	—	.	0.43 (100.00)	—	0.43	6.81
(a) Large Factories	—	—	.	0.55 (100.00)	—	0.55	8.53
(b) Small Factories	—	—	.	0.18 (100.00)	—	0.18	3.01
4. All-India	—	—	.	0.35 (100.00)	0.02	0.37	6.44
(a) Large Factories	—	—	.	0.38 (100.00)	0.03	0.41	7.08
(b) Small Factories	—	—	.	0.16 (100.00)	—	0.16	2.90

*Less than Re. 0.005.

†The components do not add up to the total due to the fact that amounts less than Re. 0.005 have been omitted.

Note—Figures within brackets indicate percentages to total.

It will be seen from Statement 8.4 that the cost to the employers on account of obligatory social security contributions consisted mainly of provident fund contributions and Employees State Insurance contributions, which accounted for about 63 per cent. and 26 per cent. respectively of the total cost on this item. The rest represented contributions made by the employers on account of compensation for employment injury (about 6 per cent.) and compensation for retrenchment or for lay-off (about 5 per cent.).

8.2.6 *Subsidies*—

Cost of employers for providing certain facilities and services to the workers and their families was collected under this head. The facilities listed were Medical and Health Care, Canteens, Restaurants, Housing, Credit Unions, Educational Services, Recreational Services, Cultural Services, Transport, Sanitation, Drinking Water and Washing Facilities etc. The amounts recorded included depreciation but excluded any capital expenditure. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also to others. Hence the field staff was asked to obtain estimates, wherever, such statistics were not available separately, for the above-mentioned items and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8.5 gives details in respect of the cost on subsidies per man-day worked as revealed by the data collected during the Survey.

STATEMENT 8.5

Estimated Cost of Subsidies per Man-day Worked in the Footwear Industry (1964)

(In Rupees)

Centre	Medical and Health Care	Canteens	Restaurants and Other Food Services	Company and Housing	Credit Unions	Educational Services	Recreational Services
1	2	3	4	5	6	7	8
1. Uttar Pradesh ..	.. 0.02 (9.09)	0.01 (4.55)	0.05 (22.73)	0.08 (36.36)	—	0.02 (9.09)	*
(a) Large Factories ..	.. 0.03 (9.38)	0.02 (6.25)	0.07 (21.87)	0.13 (40.62)	—	0.03 (9.38)	*
(b) Small Factories *	—	—	—	—	—	—
2. West Bengal ..	.. *	0.02 (50.00)	—	*	*	—	*
(a) Large Factories ..	.. *	0.02 (50.00)	—	*	—	—	*
(b) Small Factories ..	.. —	—	—	*	0.01 (14.29)	—	*
3. Residual ..	.. 0.02 (11.11)	0.03 (16.67)	—	—	0.02 (11.11)	*	0.02 (11.11)
(a) Large Factories ..	.. 0.02 (9.09)	0.04 (18.18)	—	—	0.03 (13.64)	*	0.02 (9.09)
(b) Small Factories —	—	—	—	—	—	—
4. All-India ..	.. 0.01 (10.00)	0.02 (20.00)	0.01 (10.00)	0.02 (20.00)	*	0.01 (10.00)	*
(a) Large Factories ..	.. 0.01 (10.00)	0.02 (20.00)	0.01 (10.00)	0.02 (20.00)	*	0.01 (10.00)	*
(b) Small Factories *	—	—	*	*	—	*

STATEMENT 8.5—*contd.*

(In Rupees)

Centre	Cultural Services	Transport	Sanitation	Drinking Water	Washing Facilities	Total	Percentage of Subsidies to the Total Labour Cost
1	9	10	11	12	13	14	15
1. Uttar Pradesh ..	*	—	0.04 (18.18)	*	*	0.22	2.88
(a) Large Factories ..	—	—	0.04 (12.50)	*	*	0.32	3.75
(b) Small Factories ..	*	—	0.02 (66.67)	*	0.01 (33.33)	0.03	0.51
2. West Bengal ..	*	—	0.01 (25.00)	*	0.01 (25.00)	0.04	0.79
(a) Large Factories ..	*	—	0.01 (25.00)	*	0.01 (25.00)	0.04	0.79
(b) Small Factories ..	—	—	0.03 (42.86)	*	0.02 (28.57)	0.07†	1.79
3. Residual ..	*	0.02 (11.11)	0.05 (27.78)	0.01 (5.56)	0.01 (5.55)	0.18	2.85
(a) Large Factories ..	*	0.02 (9.09)	0.06 (27.27)	0.01 (4.55)	0.02 (9.09)	0.22	3.41
(b) Small Factories ..	—	—	0.05 (71.43)	0.01 (14.29)	0.01 (14.28)	0.07	1.17
4. All-India ..	*	*	0.02 (20.00)	*	0.01 (10.00)	0.10	1.74
(a) Large Factories ..	*	*	0.02 (20.00)	*	0.01 (10.00)	0.10	1.73
(b) Small Factories ..	*	—	0.03 (60.00)	*	0.01 (20.00)	0.05†	0.91

*Loss than Re. 0.005.

†The components do not add up to the total due to the fact that amounts less than Re. 0.005 have been omitted.

Note—Figures within brackets are percentages to total.

The cost of subsidies is estimated at Re. 0.10 per man-day worked and constituted about 2 per cent. of the total labour cost. The main items of expenditure under this head were Canteens, Housing and Sanitation, each accounting for one-fifth of the total cost on subsidies. Expenses incurred on other items like Medical Care, Restaurants and Educational Services accounted for one-tenth on each item while the expenditure on the remaining items was insignificant. Data collected have revealed that the factories in West Bengal spent the least amount (Re. 0.04) per man-day worked as compared to Uttar Pradesh (Re. 0.22) and Residual Group (Re. 0.18).

8·2·7. *Direct Benefits—*

Direct benefits are those benefits which are paid by the employers directly to the beneficiaries without any intermediary or external agency. Survey results show that no expenses were incurred by employers on this item.

8·2·8. *Some other Payments Related to Labour Cost—*

Under this group, expenses relating to on-the-job medical services, cost of recruitment and remuneration paid to apprentices, incurred by the employers were recorded. The total cost incurred on account of all these items amounted to Re. 0·01 per man-day worked (Statement 8·2) at the Industry level.

8·2·9. *Others --*

Expenses incurred by the employers in connection with the supply of protective equipments or salaries of Labour Officers etc., were not significant as they accounted for Re. 0·02 or 0·35 per cent. of the total labour cost per man-day worked.

CHAPTER IX

SUMMARY OF FINDINGS

Shoe-making in India is a traditional craft and even today it is carried on largely as a cottage industry. The large scale manufacture of footwear with modern equipments and plants was undertaken in the country for the first time in 1932. During the last three decades, inspite of initial handicaps and difficulties, it has developed rapidly and succeeded in establishing itself as one of the progressive and well organised industries. On account of the growing demand for shoes within the country and also its export-potential, the Industry has started playing a useful role in India's economy. In 1964, there were 143 Footwear factories in the country with an average employment of about 25 thousand persons.

Data collected during the present Survey show that on 31st March, 1965, the estimated total number of persons employed in the Industry was nearly 25 thousand, of whom 412 were not covered under the Factories Act. Of these, nearly 90 per cent. were 'Production and Related Workers', 5 per cent. were 'Clerical and Related Personnel', 3 per cent. were engaged on 'Watch and Ward and 'Other Services' and 2 per cent. were 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel'. The Survey further revealed that the working force in the Industry consisted mainly of men. Child labour was totally absent and women constituted a negligible proportion. Only 45 per cent. of the workers were time-rated and the rest were piece-rated.

Only 12 per cent. of the factories employed some of their workers through contractors, who constituted about 5 per cent. of the total 'Production Workers' in the Industry. Nearly 66 per cent. of the 'Production Workers' employed directly were permanent and 32 per cent. temporary while the rest were probationers, casual workers, *Bulli* and apprentices. Distribution of directly employed 'Production Workers' according to their length of service shows that nearly 44 per cent. had put in less than one year's service, about 22 per cent. between one and five years' service about 15 per cent. between five and ten years' and the rest (about 19 per cent.) had 10 years' or more of service to their credit.

Comparison of average daily earnings of workers of different categories at the industry level revealed that the 'Administrative, Executive and Managerial Personnel' ranked first (Rs. 19.02), closely followed by the 'Professional, Technical and Related Personnel' Group (Rs. 15.09). The relative figures for 'Clerical and Related Workers' and 'Watch and Ward and Other Services' were Rs. 7.80 and Rs. 3.80 respectively. Wage data relating to 'Production Workers' was not collected during the Survey. The Survey further revealed marked difference in average daily earnings of the workers employed in large size and small size factories.

The practice of paying a separate dearness allowance was prevalent in about 29 per cent. of the footwear factories. Payment of separate house-rent allowance, conveyance allowance, production or incentive bonus and night shift allowance was not much in vogue in the Industry. During the Survey a few Footwear factories were found to be paying Annual Bonus, Festival Bonus and Profit Sharing Bonus.

About 89 per cent. of the factories were working one shift a day, 6 per cent. two shifts and the rest (about 5 per cent.) were working three shifts. Nearly 6 per cent. of the factories were working night shifts. Generally all the factories had a regular system of change-over of workers from night shift to day shift and *vice versa*.

In none of the factories surveyed the daily and weekly hours of work exceeded 9 and 48 respectively. It is estimated that in about 9 per cent. of factories, the daily hours of work were less than 8.

In regard to such basic conservancy requirements like latrines and urinals, the position was found to be more or less satisfactory as the percentage of factories where these facilities existed was about 92 and 63 respectively.

It was estimated that nearly 45 per cent. of the factories in the country were granting earned leave to their employees and during 1964, nearly 58 per cent. of the workers had availed of earned leave with pay. The practice of granting casual leave and sick leave existed in about 30 per cent. and 13 per cent. of the Footwear factories respectively. National/Festival holidays were being allowed in all the factories surveyed.

Suitable arrangements for the supply of drinking water were found to be existing in all the factories. Though only about 12 per cent. of the factories were statutorily obliged to supply cool water in summer, it was observed that in actual practice about 76 per cent. of the factories were supplying cooled water during the summer. Washing facilities were found to have been provided in about three-fourths of the factories, out of which nearly 88 per cent. supplied soap also to the workers. A little more than half of the factories had provided bathing facilities.

As regards canteens, about 12 per cent. of the factories were under a statutory obligation to provide the canteens. The Survey has revealed that all these factories had provided the canteens. Generally, the location, surroundings and hygienic conditions of the canteens were satisfactory.

Arrangements for recreation in the form of indoor/outdoor games, dramas, film shows, radio etc., existed in about 4 per cent. of the factories and the cost in all cases was met by the management.

Dispensaries were provided in about 9 per cent. of the factories, out of which about 84 per cent. had part-time doctors and the rest had whole time doctors. Statutory provisions in respect of Ambulance Rooms was found to be

complied with by the factories while about 98 per cent. of the Footwear factories had provided first-aid boxes.

Not much attention seems to have been paid by the Industry to the problem of providing residential accommodation for its employees since only about 13 per cent. of the factories had provided houses to its employees and hardly 3 per cent. of the workers actually benefited by such facilities.

Provident fund schemes were in existence in about 61 per cent. of the factories and nearly 55 per cent. of the workers were members of such schemes on 31st March, 1965. Pension and Gratuity schemes were in vogue in 10 per cent. and 15 per cent. of the factories respectively.

It is estimated that the rate of accidents in the Industry was 23 per thousand workers employed during 1964 and all the accidents were of minor nature resulting in temporary disability. None of the units surveyed reported any occupational disease afflicting their workers.

During 1959-65 excepting 1960 and 1963, there were more or less peaceful conditions in the Industry and the number of strikes and lock outs was not significant. Trade Unionism had not much developed in the Footwear Industry as only about 13 per cent. of the factories had trade unions covering about 39 per cent. of the workers. Large factories accounted for most of the trade unions.

Collective agreements, since 1956, had been concluded in approximately 9 per cent. of the factories. The issues settled in these agreements included revision of wages, dearness allowance, bonus, gratuity etc. Out of about one-fifth of Footwear factories under a statutory obligation to frame Standing Orders, nearly 72 per cent. had done so. Since most of the factories were not big, only about 7 per cent. were under an obligation to appoint Labour Officers and a majority of these factories had appointed such officers. Works Committees were obligatory in about 22 per cent. of the factories, but only 7 per cent. of these had actually set up such Committees. There was a prescribed grievance procedure in about 22 per cent. of the factories.

Data pertaining to labour cost, collected in respect of workers receiving less than Rs. 400.00 per month, show that in 1961, the cost per man-day worked in the Footwear Industry was Rs. 5.75. Wages element, i.e., basic wages, dearness allowance and incentive/production bonus, alone accounted for about 87 per cent. of the total labour cost. Other important components of labour cost were obligatory social service contributions (about 6 per cent.), bonuses (about 4 per cent.), subsidies (about 2 per cent.) while non-obligatory social security contributions, and other ex-gratia payments accounted for the balance.

Salient features of the Footwear factories in the country, as thrown up by the Survey of Labour Conditions, are presented in the following Statement 9.1.

STATEMENT 9.1
Salient Features of the Footwear Industry

Particulars	Estimates for the industry, as a whole
1	2
Employment	
(Proportion of)	
Production and related workers (including supervisory)	90%
Women labour	*
Production workers employed through contractors	5%
Piece-rated workers	55%
Time-rated workers	45%
Permanent workers	66%
Employees having a service of 10 years or more	19%
Factories providing training and/or apprenticeship facilities	6%
II. Wages and Emoluments	
Average daily earnings of:	
(i) Professional, Technical and Related Personnel	Rs. 15.09
(ii) Administrative, Executive and Managerial Personnel	Rs. 19.02
(iii) Clerical and Related Workers (including supervisory)	Rs. 7.80
(iv) Watch and Ward and Other Services	Rs. 3.80
Factories paying separate dearness allowance	29%
Factories in which the dearness allowance was linked with the consumer price index number	8%†
Factories paying production/incentive bonus	2%
Factories paying annual bonus	8%
Factories paying festival bonus	8%
III. Hours of Work, etc.	
(Proportion of)	
Factories where daily hours of work were 8 or less	94%
Factories where weekly hours of work were 48 or less	95%
Factories where spread over was up to 9 hours	94%
Factories where rest interval was half an hour to one hour	98%
IV. Leave and Holidays with Pay	
(Units granting)	
Earned leave	45%
Sick leave	13%
Casual leave	30%
National and festival holidays	100%
Weekly day of rest	100%

*Negligible.

†Out of those paying a separate dearness allowance.

Particulars	Estimates for the industry, as a whole						
1	2						
V. Welfare and Amenities							
(Units providing)							
Seating arrangements (out of those where workers had to do work standing)							77%
Drinking water facility	100%
Washing facility	75%
Rest shelters	2%
Canteens	12%
Latrines	92%
Urinals	63%
Labour/Welfare Officers	5%
First-aid boxes	98%
Ambulance rooms	2%
Recreation facilities	4%
Educational facilities	*
Housing facility	13% (3%)†
VI. Social Security							
(Units having)							
Provident fund schemes	61% (55%)‡
Pension schemes	10%
Gratuity schemes	15%
VII. Accidents Rule							
(Per thousand workers employed)							23
VIII. Industrial Relations							
Factories having trade unions	13%
Proportion of workers who were members of trade unions							39%
Units having concluded collective agreements							9%
Factories having Standing Orders	22%
Factories having works/Joint Committees	1.5%
IX. Labour Cost							
Labour cost per man-day worked during 1964				Rs. 5.75

*Insignificant.

†Indicates percentage of workers housed.

‡Indicates percentage of workers who were members of provident fund schemes.

APPENDIX

A BRIEF NOTE ON THE SAMPLE DESIGN AND THE 'METHOD OF ESTIMATION ADOPTED

1. *Sample Design*—

For the Survey of Labour Conditions, a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in a frequency distribution fashion with suitable class intervals and were divided into two size-groups, large factories and small factories, on the basis of an optimum cut-off point derived for each industry. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of overall employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point varied from industry to industry. For the Footwear Industry, it was chosen as 190, which was approximately equal to the average size of employment in the Industry. However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and $12\frac{1}{2}$ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame, (ii) closures and (iii) units changing their line of production, considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above mentioned shrinkage. Since the sample size in respect of almost all industries had been inflated to safeguard against shrinkage due to closure of units etc., substitution was resorted to only in case of abnormal closures of units, in the manner explained below:

I. In case of such industries where the sample size had not been inflated, substitution was done to replace sampled units found closed.

- (a) If the number of sampled units was 5 or less in size class of a particular industry/stratum; or
- (b) The number of units found closed, etc., was more than 1 in a sample of 6 to 10 units of a size class of particular industry/stratum.
- (c) In cases where the sample sizes were more than 10 units, substitution was made when the extent of closures was 50% or more.

II. For industries where the sample size had already been inflated, substitution was done only if the extent of closure was 50% or more irrespective of the size of the sample unless such a high rate was already noticed in the Second Occupational Wage Survey and consequently taken into account in fixing the sample size.

The ultimate sampling units, namely registered factories, mines or plantations within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the unit above the optimum cut-off point were taken in the upper-size class and the rest in the lower-size class. From these size-groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of Footwear factories was the list of registered factories for the year 1963*.

2. Method of Estimation—

In the course of the Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not correlated with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as earnings, labour cost, ratio of total employment was used as the blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., the ratio of units was used as the blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

In any stratum the estimates for the total of X-characteristic not correlated with employment is given by :

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \quad (1)$$

The summation extending over all the sampled units surveyed in the stratum

Where $X =$ The estimated total of the X-characteristic for a particular stratum;

N_u and $N_l =$ the number of units in the original population as featuring in the 1968, list, which was used as frame, in the upper and lower size-groups, respectively of the stratum concerned;

*For Andhra Pradesh and Maharashtra list relates to the year 1962.

N'_u and N'_l =	the number of units which featured in the 1963 list but were not featuring in the latest available list nearest to the period of the Survey in the upper and lower size-groups respectively of the stratum concerned ;
n_u and n_l =	the total number of units in the sample (from 1963 list) in the upper and lower size-groups respectively of the stratum concerned;
n'_u and n'_l =	the number of sampled units, which were found at the time of the Survey to be closed or to have changed the line of production and hence left out in the upper and lower size-groups respectively of the stratum concerned;
X_{iu} and X_{il} =	the total of the characteristic in the i th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained on the basis of the above formula for each one of the strata of the industry.

In any stratum the estimate for the characteristic V correlated with employment is given by

$$Y = \frac{E N_u - N'_u}{E n_u - n'} \sum_i Y_{iu} + \frac{E N_l - N'_l}{E n_l - n'_l} \sum_i Y_{il}$$

The summation extending over all units in the stratum.

Where Y —the estimated total of the characteristic

Y —for a particular stratum.

$E N_u - N'_u$ and $E N_l - N'_l$ = the total employment in 1963 in the $N_u - N'_u$ and $N_l - N'_l$ units respectively.

$E n_u - n'_u$ and $E n_l - n'_l$ = the total employment in 1963 in $n_u - n'_u$ and $n_l - n'_l$ sampled units respectively.

Y_{iu} and Y_{il} = the total of the characteristic Y in the i th sampled units of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of an industry.

1	2	3	4	5
				Rs. P.
15	DLB-87/800	Report on Survey of Labour Conditions in Railway Workshops in India.	1966	3.15 or 7 Sh. 5 d. or 1 \$ 14 cents
16	DLB-74/800	Report on Survey of Labour Conditions in Metal Rolling Factories in India.	1966	3.40 or 8 Sh. or 1 \$ 23 cents
17	DLB-109/800	Report on Survey of Labour Conditions in Manganese Mining Industry in India.	1967	4.85 or 11 Sh. 4 d. or 1 \$ 75 cents
18	DLB-97/800	Report on Survey of Labour Conditions in Mica Mining Industry in India.	1967	4.30 or 10 Sh. 1 d. or 1 \$ 55 cents
19	DLB-113/700	Report on Survey of Labour Conditions in Gold Mines in India.	1967	2.70 or 6 Sh. 4 d. or 98 cents.
20	DLB-78/950	Report on Survey of Labour Conditions in Cotton Textile Factories in India.	1967	7.00 or 16 Sh. 4 d. or 2 \$ 52 cents
21	DLB-105/800	Report on Survey of Labour Conditions in Coffee Plantations in India.	1967	3.45 or 8 Sh. 1 d. or 1 \$ 25 cents
22	DLB-112/950	Report on Survey of Labour Conditions in Sugar Factories in India.	1967	4.50 or 10 Sh. 6 d. or 1 \$ 62 cents.
23	DLB-117/950	Report on Survey of Labour Conditions in Tea Plantations and Tea Factories in India.	1967	4.40 or 10 Sh. 4 d. or 1 \$ 59 cents.
24	DLB-118/900	Report on Survey of Labour Conditions in Coal Mining Industry in India.	1968	7.75 or 18 Sh. or 2 \$ 79 cents.
25	DLB-107/800	Report on Survey of Labour Conditions in Iron Ore Mining Industry in India.	1968	3.60 or 8 Sh. 5 d. or 1 \$ 30 cents.
26	DLB-110/800	Report on Survey of Labour Conditions in Ship Building and Repairing Factories in India.	1968	3.45 or 8 Sh. 1 d. or 1 \$ 25 cents.

